



**FEDERAL  
BUDGET  
2020-2021**

**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 2019-20 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 being tabled along with the Annual Budget Statement, as additional information, in order to help the readers to understand the details of the receipts included in the Statement. In a structured manner, the major components of Federal resources have been explained, with a view to distinguish Revenue from Capital receipt and to further categorize Revenue Receipt as Tax and Non-Tax Receipt. A separate Chapter is introduced on External Resources with brief explanation, which has been further elaborated in a separate publication titled “Estimates of Foreign Assistance”. The mechanism for distribution of resources amongst the Provinces is also included with a brief over view of self-financing of their respective Annual Development Programmes.

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 2019-20, the nature of receipts has also been explained, wherever considered appropriate. I hope that this document would be useful for a comprehensive understanding of the Annual Budget Statement.

**Naveed Kamran Baloch**  
**Secretary to the Government of Pakistan**

**Finance Division**  
**Islamabad, the 12th June, 2020**

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**CHAPTER 1: FEDERAL RESOURCES AT A GLANCE**

1.1 Resource Mobilization is essential to meet the recurring as well as development expenditure. At Federal level, resources are generated through a well-coordinated and concerted effort by the revenue collecting agencies and other administrative units. The money so raised are properly deposited in the national exchequer, precisely accounted for and accurately reported as per the principles of financial propriety. The constitutional requirements for maintaining the federal receipts are strictly adhered to. Article 78(1) of the Constitution of Islamic Republic of Pakistan provides that all revenues received by the Federal Government, all loans raised by that Government and all moneys received by it in repayment of loan, shall form part of the Federal Consolidated Fund. Article 78(2) further provides that all other moneys received by or on behalf of the Federal Government shall be credited to the Public Account of the Federation. In pursuance thereof, the Federal Receipts are credited to Federal Consolidated Fund as well as the Public Account of Federation.

1.2 Federal Revenue Receipts are broadly categorized as Tax Revenue and Non-Tax Revenue. Federal Board of Revenue (FBR) is the major tax collecting agency as substantial portion of Tax Revenue is administered by it. Tax Revenue collected by FBR constitutes the Divisible Pool Taxes to be distributed amongst the Provinces along with other Straight Transfers in accordance with the provisions of National Finance Commission Award. In addition to FBR Taxes, there are Other Taxes i.e Gas Infrastructure Development Cess, Natural Gas Development Surcharge, Petroleum Levy etc, which are administered by Ministry of Petroleum and Natural Resources.

1.3 Non-Tax Revenue represents the recurring income earned by the Federal Government from sources other than taxes. The major sources are Interest receipts, dividends, profits earned by various regulatory authorities. Moreover, various services provided by the government i.e social services, community services, economic services, defence services etc also yield revenue for the government.

1.4 In addition to Revenue Receipts, there are Capital Receipts reflected in Annual Budget Statement. Capital Receipts comprise Recoveries of loans and advances from Provincial Governments, local bodies, financial institutions etc. as well as Public Debt raised through various government securities.

1.5 Net proceeds of National Saving Schemes and net receipts from transactions under Deposits and Reserves head being Public Account Receipts, form part of Public Account of the Federation.

1.6 External Resources comprise project loans and grants, programme loans and other loans which are received from specialized financial institutions and friendly countries for specific development needs and budgetary requirements.

1.7 Federal Receipts may also be classified as Internal Receipts and External Receipts. Internal Receipts comprise Revenue receipts and Capital receipts. External Receipts comprise project aid, loans and grants.

1.8 Budget Estimates for Fiscal Year 2019-20 and 2020-21 in respect of total Federal Receipts under different heads are given at the next page;

**TABLE 1**  
**SUMMARY OF FEDERAL RESOURCES**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>B</b>	<b>1 Tax Revenue Receipts</b>	<b>5,822,160.300</b>	<b>4,208,458.524</b>	<b>5,464,300.350</b>
	<b>FBR Taxes</b>	<b>5,555,000.000</b>	<b>3,908,000.000</b>	<b>4,963,000.000</b>
B01	Direct Taxes	2,081,945.000	1,623,000.000	2,043,000.000
B02	Indirect Taxes	3,473,055.000	2,285,000.000	2,920,000.000
B03	<b>Other Taxes</b>	<b>267,160.300</b>	<b>300,458.524</b>	<b>501,300.350</b>
<b>C</b>	<b>2 Non Tax Receipts</b>	<b>894,464.066</b>	<b>1,296,029.849</b>	<b>1,108,925.890</b>
C01	Income from Property and Enterprise	269,581.681	243,187.131	210,707.874
C02	Receipts from Civil Administration	430,957.532	809,665.513	645,615.575
C03	Miscellaneous Receipts	193,924.853	243,177.205	252,602.441
	<b>3 Total Revenue Receipts (1+2)</b>	<b>6,716,624.366</b>	<b>5,504,488.373</b>	<b>6,573,226.240</b>
<b>E</b>	<b>4 Capital Receipts</b>	<b>766,197.741</b>	<b>819,399.350</b>	<b>1,377,923.262</b>
E02	Recovery of Loans and Advances	183,520.370	191,713.099	198,167.262
E03	Domestic Debt Receipts	582,677.371	627,686.251	1,179,756.000
	<b>5 Total Internal Receipts (3+4)</b>	<b>7,482,822.107</b>	<b>6,323,887.723</b>	<b>7,951,149.502</b>
	<b>6 External Receipts</b>	<b>3,032,324.587</b>	<b>2,272,919.615</b>	<b>2,207,057.975</b>
	Loans	3,003,828.561	2,233,498.029	2,184,050.665
	Grants	28,496.026	39,421.586	23,007.310
	<b>7 Total Internal and External Receipts (5+6)</b>	<b>10,515,146.694</b>	<b>8,596,807.338</b>	<b>10,158,207.477</b>
<b>G</b>	<b>8 Public Account Receipts</b>	<b>236,559.593</b>	<b>421,275.228</b>	<b>215,618.727</b>
	Deferred Liabilities (Net)	278,628.080	430,342.390	227,278.880
	Deposits and Reserves (Net)	(42,068.487)	(9,067.162)	(11,660.153)
	<b>9 Gross Federal Receipts (7+8)</b>	<b>10,751,706.287</b>	<b>9,018,082.566</b>	<b>10,373,826.204</b>
	<b>10 Less Provincial Share in Federal Taxes</b>	<b>3,254,525.678</b>	<b>2,402,080.087</b>	<b>2,873,718.740</b>
	<b>11 Net Federal Receipts</b>	<b>7,497,180.609</b>	<b>6,616,002.479</b>	<b>7,500,107.464</b>

**CHAPTER 2:****REVENUE RECEIPTS**

2.1 Revenue Receipts constitute major component of total Federal resources. Revenue Receipts may be categorized as Tax Revenue Receipts and Non-Tax Revenue receipts, which are largely derived from the following sources:-

- i. Collection of Federal Taxes
- ii. Net revenue of the Public Sector Commercial Departments
- iii. Mark up on loans advanced by the Federal Government
- iv. Return on investments made by the Federal Government
- v. Fees, penalties and other Miscellaneous receipts realized by administrative Ministries and Divisions of the Federal Government
- vi. Surcharges, Cess, Levy and Royalty on Petroleum

**2.2 TAX REVENUE**

2.2.1 The major part of Tax Revenue is administered by the Federal Board of Revenue (FBR), which comprises Customs Duty and Inland Revenue i.e Direct Taxes, Sales Tax and Federal Excise Duty. FBR taxes may also be categorized as Direct Taxes and Indirect Taxes. Direct Taxes comprise Income Tax, Workers Welfare Fund and Capital Value Tax. Indirect Taxes include Sales Tax, Federal Excise Duty and Customs Duty.

2.2.2 In addition to FBR taxes, there are Other Taxes i.e Gas Infrastructure Development Cess, Natural Gas Development Surcharge, and Petroleum Levy administered by Ministry of Petroleum and Natural Resources. Besides, the taxes collected by Islamabad Capital Territory (ICT) Administration and the Airport Tax administered by Civil Aviation Authority also constitute Tax Revenue of the Federal Government. Tax Revenue forms part of Federal Consolidated Fund.

**2.3 NON TAX REVENUE**

2.3.1 Non-Tax Revenue of the federal government is administered by various Ministries / Divisions/ Departments comprising the following sources:

- i. Income from Property and Enterprise
- ii. Receipts from Civil Administration and other functions
- iii. Miscellaneous Receipts



2.4 Summary of Revenue Receipts for Budget Estimates and Revised Estimates for Fiscal Year 2019-20 and Budget Estimates for Fiscal Year 2020-21 are given as under;

**TABLE 2**  
**SUMMARY OF REVENUE RECEIPTS**

			(Rs. In Million)		
Object Code	RCO	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
		<b>I. TAX REVENUE (1+2)</b>	<b>5,822,160.300</b>	<b>4,208,458.524</b>	<b>5,464,300.35</b>
		<b>(1) FBR Taxes</b>	<b>5,555,000.000</b>	<b>3,908,000.000</b>	<b>4,963,000.000</b>
<b>B01</b>		<b>Direct Taxes</b>	<b>2,081,945.000</b>	<b>1,623,000.000</b>	<b>2,043,000.000</b>
B011		Taxes on Income	2,073,000.000	1,618,037.000	2,036,752.000
B01501		Workers Welfare Fund	5,050.000	2,548.000	3,207.000
B017-18		Capital Value Tax	3,895.000	2,415.000	3,041.000
<b>B02</b>		<b>Indirect Taxes</b>	<b>3,473,055.000</b>	<b>2,285,000.000</b>	<b>2,920,000.000</b>
B020-22		Customs Duties	1,000,500.000	546,000.000	640,000.000
B023		Sales Tax	2,107,738.000	1,427,000.000	1,919,000.000
B024-25		Federal Excise	364,817.000	312,000.000	361,000.000
<b>B03</b>		<b>(2) Other Taxes</b>	<b>267,160.300</b>	<b>300,458.524</b>	<b>501,300.350</b>
<b>B03083</b>	<b>PTR</b>	Gas Infrastructure Development Cess	30,000.000	11,000.000	15,000.000
<b>B03084</b>		Natural Gas Development Surcharge	10,000.000	10,000.000	10,000.000
<b>B03085</b>		Petroleum Levy	216,025.000	260,000.000	450,000.000
<b>C03901</b>		Mobile Handset Levy	3,000.000	4,000.000	5,800.000
<b>B013,14,16,26-30</b>		Taxes collected by Islamabad Capital Territory Admn	8,100.300	15,441.524	20,475.350
<b>B03064</b>	<b>CAA</b>	Airport Tax (CAA)	35.000	17.000	25.000
		<b>II. NON TAX REVENUE (1+2+3)</b>	<b>894,464.066</b>	<b>1,296,029.849</b>	<b>1,108,925.890</b>
<b>C01</b>		<b>(1) Income from Property and Enterprise</b>	<b>269,581.681</b>	<b>243,187.131</b>	<b>210,707.874</b>
<b>C01008</b>	<b>I.T</b>	PTA (Surplus)	1,000.000	6,449.000	2,000.000
<b>C01008</b>		PTA (3/4G Licences)	52,730.000	125,000.000	27,000.000
<b>C01012</b>		Regulatory Authorities (Surplus/Penalties)	1,282.263	540.117	541.514
C012		Mark up (Provinces)	24,112.110	26,110.616	26,843.430
C013-18		Mark up (PSEs & Other)	124,494.708	36,916.811	93,344.680
C019		Dividends	65,962.600	48,170.587	60,978.250

Object Code	RCO	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C02</b>		<b>(2) Receipt from Civil Admn and Other Functions</b>	<b>430,957.532</b>	<b>809,665.513</b>	<b>645,615.575</b>
C021-24		General Administration	4,283.750	3,408.453	3,440.214
<b>C02211</b>	<b>SBP</b>	SBP Profit	406,070.000	785,000.000	620,000.000
C025		Defence	15,453.135	17,553.135	18,430.502
C026		Law and Order	2,034.450	1,136.567	1,198.172
C027		Community Services	1,450.172	1,039.302	1,096.627
C028		Social Services	665.675	428.053	450.057
C029		Social Services (Miscellaneous)	1,000.350	1,100.003	1,000.003
<b>C03</b>		<b>(3) Miscellaneous Receipts</b>	<b>193,924.853</b>	<b>243,177.205</b>	<b>252,602.441</b>
C031-35		Economic Services	2,126.537	1,254.022	2,096.020
<b>C03601</b>		Foreign Grants	18,794.500	27,462.737	22,516.769
C03725		Extraordinary Receipts (UNO)	30,000.000	27,440.550	28,045.490
C037		Extraordinary Receipts (Others)	56.694	30.127	40.630
C03897		Citizenship, Naturalization & Passport Fee	25,000.000	25,000.000	25,000.000
C038		Others	14,714.102	19,304.289	42,575.282
C03870		Gains on PIBs		37,000.000	25,000.000
<b>C03905</b>	<b>PTR</b>	Royalty on Oil	24,672.550	25,000.000	23,000.000
<b>C03906</b>		Royalty on Gas	51,560.470	54,050.480	53,812.250
<b>C03910</b>		Discount Retained on Local Crude Price	16,000.000	16,000.000	17,000.000
<b>C03915</b>		Windfall Levy against Crude Oil	7,000.000	7,000.000	8,000.000
<b>C03917</b>		Petroleum Levy on LPG	4,000.000	3,635.000	5,516.000
<b>Total Revenue (Other than FBR)</b>			<b>1,161,624.366</b>	<b>1,596,488.373</b>	<b>1,610,226.240</b>
<b>Total Revenue (including FBR)</b>			<b>6,716,624.366</b>	<b>5,504,488.373</b>	<b>6,573,226.240</b>
Less Prov share in Federal Taxes			3,254,525.678	2,402,080.087	2,873,718.740
<b>Net Federal Revenue Receipts</b>			<b>3,462,098.688</b>	<b>3,102,408.286</b>	<b>3,699,507.500</b>

## CHAPTER 3:

## TAX REVENUE

## 3.1 FBR TAXES

3.1.1 Tax Revenue collected by Federal Board of Revenue (FBR) comprises Income Tax, Sales Tax, Federal Excise Duty and Customs Duty. Direct Taxes mainly comprise Income Tax. Federal Excise Duty, Sales Tax and Customs duty are indirect taxes. The following table shows the revenue estimates for Fiscal Year 2019-20 (Budget and Revised) and 2020-21 (Budget);

**TABLE 3**  
**ESTIMATES OF FBR TAXES**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
B01	Direct Taxes	2,081,945.000	1,623,000.000	2,043,000.000
B023	Sales Tax	2,107,738.000	1,427,000.000	1,919,000.000
B024-25	Federal Excise	364,817.000	312,000.000	361,000.000
B020-22	Customs Duties	1,000,500.000	546,000.000	640,000.000
<b>Total</b>		<b>5,555,000.000</b>	<b>3,908,000.000</b>	<b>4,963,000.000</b>

3.1.2 Detailed analysis of head wise FBR taxes are highlighted below:

## 3.1.3 DIRECT TAXES

3.1.3.1 During the first 10 months of the current financial year i.e. up to 30-04-2020, Direct Tax collection stood at Rs. 1,223.2 billion with growth of 14%. Income Tax contributes around 98% in total direct taxes. The target for FY 2020-21 has been estimated at Rs. 2,100.0 billion, requiring a growth of 29.4% vis-à-vis R.E 2019-20.

3.1.3.2 Within the direct taxes, Workers Welfare Fund (WWF) is also collected by FBR and is part of Direct Tax collection. The budget estimates for receipts of WWF for 2020-21 is Rs. 3.3 billion.

3.1.3.3 The budget and revised estimates for financial years 2019-20 and 2020-21, on account of Direct Taxes are tabulated hereunder:

**TABLE 4  
DIRECT TAXES**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
B011	Income Tax	2,073,000.000	1,618,037.000	2,036,752.000
B01501	Workers Welfare Fund	5,050.000	2,548.000	3,207.000
B017-18	Capital Value Tax (CVT)	3,895.000	2,415.000	3,041.000
<b>Total</b>		<b>2,081,945.000</b>	<b>1,623,000.000</b>	<b>2,043,000.000</b>

### 3.1.4 Indirect Taxes

#### 3.1.4.1 Sales Tax

3.1.4.1.1 During the first 10 months of the current financial year net revenue collection from Sales Tax (import + domestic) remained at Rs.1,348.4 billion as against Rs. 1,165.3 billion in the corresponding period of the last financial year showing a decrease of 15.7%. The target for FY 2020-21 is estimated at Rs. 1,972.0 billion. The required growth would be 38.2% vis-à-vis R.E 2019-20.

**TABLE 5  
SALES TAX**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
B023	<b>Sales Tax (excluding services)</b>	2,104,767.000	1,424,992.000	1,916,299.000
B02366				
B02367				
B02369	<b>Sales Tax on Services (ICT)</b>	2,971.000	2,008.000	2,701.000
B02384				
B02387				
<b>Total</b>		<b>2,107,738.000</b>	<b>1,427,000.000</b>	<b>1,919,000.000</b>

#### 3.1.4.2 Federal Excise Duty

3.1.4.2.1 During first 10 months of the current financial year net revenue collection from Federal Excise Duty remained at Rs. 206.1 billion as against Rs. 184.0 billion in the corresponding period of the last financial year showing a growth of 12.0%. Budget estimates for fiscal year 2020-21 are projected at Rs. 371.0 billion. The required growth would be 18.9% vis-à-vis R.E 2019-20.

### **3.1.4.3 Customs Duty**

3.1.4.3.1 During the first 10 months of FY 2019-20, net Customs Duty collections is Rs 522.8 billion which is 6.5% higher than the duty collected during the corresponding period of FY 2018-19. Budget estimates for fiscal year 2020-21 are projected at Rs.658.0 billion. The required growth would be 20.5% vis-à-vis R.E 2019-20.

### **3.2 Other Taxes**

3.2.1 Although FBR administers and collects major portion of Federal Tax Revenue, there are Other Tax sources, which are collected by Ministry of Energy (Petroleum Division), Islamabad Capital Territory Administration and Aviation Division as under;

#### **3.2.2 Gas Infrastructure Development Cess (GIDC)**

3.2.2.1 Gas Infrastructure Development Cess Act 2015 provides legal framework to levy and collect the Cess from gas consumers other than the domestic sector consumers at the rates as provided in the Second Schedule to this Act. The gas company shall be responsible for billing of cess to gas consumers, its collection and its onward payment to Federal Government in the manner as prescribed by the Federal Government. As per Section 4 of the Act, the cess shall be utilized by the Federal Government for or in connection with infrastructure development of Iran Pakistan Pipeline Project, Turkmenistan-Afghanistan-Pakistan-India (TAPI) Pipeline Project, LNG or other ancillary projects.

3.2.2.2 The major billing companies are 1. Sui Northern Gas Pipelines Limited, 2. Sui Southern Gas Company Limited, 3. Mari Petroleum Company Limited (formerly Mari Gas Company Limited), 4. Pakistan Petroleum Limited, 5. Tullow Pakistan Development Limited, 6. Oil and Gas Development Company Limited. Rates of Cess(Rs./MMBTU) are Rs. 300 for Fertilizer Feed, Rs. 200 for Captive Power, Rs. 100 for Industry, Rs. 100 for KESC/GENCO, Rs. 100 for IPPs, Rs.263 for CNG Region-I and Rs. 200 for CNG Region-1

#### **3.2.3 Natural Gas Development Surcharge**

3.2.3.1 As per Natural Gas Development Surcharge Ordinance, 1967, every company as mentioned in the Schedule shall collect and pay to the Federal Government a development surcharge equal to the

differential margin i.e the amount by which the fixed sale price exceeds the prescribed price, in respect of natural gas sold by it.

### **3.2.4 Petroleum Development Levy**

3.2.4.1 Petroleum Products (Petroleum Development Levy) Ordinance, 1961 as amended from time to time provides imposition of Petroleum Levy. Ex-refinery/import price of oil is added with Inland Freight Equalization Margin (IFEM), Oil Marketing Companies (OMCs) distribution margin and dealer's commission as fixed by Government of Pakistan in Rs/per liter. On this accumulated price of oil, Petroleum Levy is fixed by Government of Pakistan in Rs. per liter from time to time is levied.

### **3.2.5 Other Levies**

3.2.5.1 The Federal Government introduced imposition of new levies through Finance Bill 2018 i.e Mobile Handset Levy, Health Levy on Tobacco etc. in order to collect revenue on sale of luxury items as well as to discourage their use. However, the Parliament approved only Mobile Handset Levy through Finance Act 2018.

### **3.2.6 Taxes Collected by Islamabad Capital Territory Administration**

3.2.6.1 There are a number of taxes which are collected by the ICT Administration. These taxes are categorized as Direct Taxes like Land Revenue, Property Tax and Tax on Professional Trade and Callings and Indirect Taxes such as Provincial Excise, Stamp Duties, Motor Vehicle Tax and Hotel Tax.

### **3.2.7 Airport Tax**

3.2.7.1 Civil Aviation Authority collects Airport Tax from domestic passengers for various services offered at the airports at rates notified by the Government from time to time. The Airline companies charge Airport Tax at the time of preparation of Air Ticket and deposit the same in the Federal treasury.

### **3.2.8 Budget Estimates**

3.2.8.1 Budget and Revised Estimates for Fiscal Year 2019-20 and Budget Estimates for 2020-21 on account of Other Taxes are tabulated hereunder.

**TABLE 6  
OTHER TAXES**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
	<b>(A) Oil &amp; Gas Sector</b>	<b>256,025.000</b>	<b>281,000.000</b>	<b>475,000.000</b>
B03083	PETR Gas Infrastructure Development Cess	30,000.000	11,000.000	15,000.000
B03084	PETR Natural Gas Development Surcharge	10,000.000	10,000.000	10,000.000
B03085	PETR Petroleum Levy	216,025.000	260,000.000	450,000.000
B013,14, 16,26-30	<b>(B) Taxes collected by Islamabad Capital Territory Administration</b>	<b>8,100.300</b>	<b>15,441.524</b>	<b>20,475.350</b>
	<b>Direct Taxes</b>	<b>525.000</b>	<b>8,370.000</b>	<b>12,387.200</b>
B01311	Property Tax (Fees for Registration of documents)	160.000	160.000	170.000
B01401	Land Revenue	300.000	10.000	17.200
B01601	Tax on Professional Trade & Callings	65.000	200.000	200.000
B03041	Petroleum Surcharge	-	8,000.000	12,000.000
	<b>Indirect Taxes</b>	<b>7,575.300</b>	<b>7,071.524</b>	<b>8,088.150</b>
B02601 to 2628	Provincial Excise	110.000	100.000	100.000
B02701 to 2735	Stamp Duties	1,000.000	705.674	710.400
B02801	Motor Vehicles registration fee	4,000.000	3,000.000	3500.000
B02802 to 2812	Motor Vehicles Annual Token Tax & etc	2,222.000	3,024.500	3525.700
B03021	Education Cess	-	0.050	0.050
B03052	Tobacco License Fee	-	1.000	1.000
B03053	Real Estate/M.V Dealer License Fee	-	1.000	1.000
B03056	Bed Tax on Hotels	243.300	239.300	250.000
	<b>(C) Other Federal Levies</b>	<b>3,000.000</b>	<b>4,000.000</b>	<b>5,800.000</b>
B03087	Mobile Handset Levy	3,000.000	4,000.000	5,800.000
B03064	<b>(D) Airport Tax (CAA)</b>	<b>35.000</b>	<b>17.000</b>	<b>25.000</b>
	<b>Total Other Taxes (A+B+C+D)</b>	<b>267,160.300</b>	<b>300,458.524</b>	<b>501,300.350</b>

\*Estimated on the basis of proposal included in Finance Bill 2019, however not approved by the Parliament

## CHAPTER 4:

## NON TAX REVENUE

4.1 Non-Tax Revenue represents the recurring income earned by the Federal Government from sources other than taxes. The major receipts under this head are "Interest receipts" (received on loans extended by the Federal Government to provinces, Public Sector Enterprises etc), dividends received from public sector entities and profits earned by various regulatory authorities. Various services provided by the government i.e social services, community services, economic services, defence services etc also yield revenue for the government. Broadly, Non-Tax Revenue fall under three major heads i.e Income from Property and Enterprise, receipts from civil administration and other functions and Misc Receipts of the Federal Ministries, Divisions and Departments.

4.2 Summary of Non-Tax Revenue for Budget and Revised Estimates for Fiscal Year 2019-20 and Budget Estimates for Fiscal Year 2020-21 are given below.

**TABLE 7**  
**Summary of Non-Tax Receipts**

Object Code	Description	(Rs. In Million)		
		2019-20 Budget	2019-20 Revised	2020-21 Budget
C01	Income from Property and Enterprise	269,581.681	243,187.131	210,707.874
C02	Receipts from Civil Admn and other functions	430,957.532	809,665.513	645,615.575
C03	Miscellaneous Receipts	193,924.853	243,177.205	252,602.441
<b>TOTAL</b>		<b>894,464.066</b>	<b>1,296,029.849</b>	<b>1,108,925.890</b>

#### 4.3. Income from Property and Enterprise

Income from Property & Enterprise comprises profits earned by state regulatory authorities, Mark- up receipts on loans extended to provinces, AJK, Public Sector Enterprises, Local bodies etc and dividends paid on Federal government's investment in the share capital of financial institutions and commercial enterprises.

##### 4.3.1 Profits

4.3.1.1 Profits earned by the Regulatory Authorities i.e NEPRA, SECP, PNRA, PEMRA, OGRA and PTA by way of levy of fees, charges, penalties etc after setting of their authorized expenses is deposited in the



Federal Consolidated Fund. Budget Estimates 2019-20, Revised Budget Estimates 2019-20 and Budget Estimates 2020-21 are given as under;

**TABLE 8**  
**Profits**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
C01012	NEPRA NEPRA (Surplus)	90.000	90.000	30.000
C01012	SECP SECP (Surplus)	15.000	16.480	18.000
C01012	PNRA PNRA (Fines)	1.600	1.700	1.200
C01012	PEMRA PEMRA (Surplus)	944.663	51.937	85.314
C01012	OGRA OGRA (Surplus+Fines)	231.000	380.000	407.000
	<b>Total (A)</b>	<b>1,282.263</b>	<b>540.117</b>	<b>541.514</b>
C01008	PTA2 PTA Surplus (B)	1,000.000	6,449.000	2,000.000
C01008	PTA1 PTA (4 G/5 G) (C)	52,730.000	125,000.000	27,000.000
	<b>TOTAL (A+B+C)</b>	<b>55,012.263</b>	<b>131,989.117</b>	<b>29,541.514</b>

4.3.1.2 A brief description of functions and sources of receipts of the above regulatory authorities is given as under;

**4.3.1.2.1 National Electric Power Regulatory Authority (NEPRA)** is mandated to develop and pursue a Regulatory Framework, which ensures the provision of safe, reliable, efficient and affordable electric power to the electricity consumers of Pakistan, by facilitating the transition from a protected monopoly service structure to a competitive environment and maintaining a balance between the interests of the consumers and service providers in unison with the broad economic and social policy objectives of the Government of Pakistan. In order to ensure effective regulatory functions, NEPRA charges different fees at rates notified from time to time for Application & Modification Generation License Fee, Application & Modification Transmission License Fee, Application & Modification Distribution License Fee, Application for the Approval of Competitive Bidding. Besides, NEPRA upfront tariff is also levied like Fees Pertaining to Tariff Standards and Procedures Regulations 2002 i.e Generation Licensees, Transmission Licensees, Distribution Licensees, Consumers etc.

**4.3.1.2.3 Pakistan Nuclear Regulatory Authority (PNRA)** is entrusted with the responsibility to control, regulate and supervise all matters related to nuclear safety and radiation protection in Pakistan. It charges Licensing Fee as approved from time to time from nuclear facilities, radiotherapy and nuclear cardiology centres etc.

**4.3.1.2.4 Pakistan Electronic Media Regulatory Authority (PEMRA)** is required to improve the standards of information, education and entertainment, to facilitate the devolution of responsibility and power to the grass roots by improving the access of the people to mass media at the local and community level and ensure accountability, transparency and good governance by optimization the free flow of information. PEMRA charges Licensing Fee on prescribed rates for FM Radio, Satellite T.V, MMDS, IPTV, Cable TV, DTH, Landing Rights, Temporary Uplinking and Mobile TV.

**4.3.1.2.5 Oil and Gas Regulatory Authority (OGRA)** has been set up under the Oil and Gas Regulatory Authority Ordinance dated 28th March 2002 to foster competition, increase private investment and ownership in the midstream and downstream petroleum industry, protect the public interest while respecting individual rights and provide effective and efficient regulations. In order to implement regulatory framework, OGRA issues Licenes to oil marketing companies, gas distribution networks, fertilizer

Manufacturing plant etc and charge fees for the services. It also carries out inspections of oil and gas distribution networks and imposes penalties.

**4.3.1.2.6 Pakistan Telecommunication Authority (PTA)** is mandated to regulate the establishment, operation and maintenance of telecommunication systems and provision of telecommunication services in Pakistan, to dispose of applications for the use of radio-frequency spectrum, to promote and protect the interests of users of telecommunication services in Pakistan, to promote the availability of a wide range of high quality, efficient, cost effective and competitive telecommunication services throughout Pakistan, to promote rapid modernization of telecommunication systems and telecommunication services, to investigate and adjudicate on complaints and other claims made against licensees arising out of alleged contraventions of the provisions of the Act, the rules made and licenses issued there under and take action accordingly. PTA receives fees for issuance and renewal of various telecom licenses. It also imposed fines, penalties for violations.

#### **4.3.2 Mark Up Receipts**

4.3.2.1 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 and social initiatives. These loans and advances are of two types, namely, Cash Development Loans, and Foreign Relent Loans. The former is advanced by the Federal Government out of its own resources whereas the latter is relent loans.

4.3.2.2 Mark up accrued on the 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 agreement.

4.3.2.3 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, as per actual borrowing cost of the Federal Government.

4.3.2.4 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 by Finance Division from time to time.

**TABLE 9**  
**Mark Up Receipts**  
**(Provinces)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
	<b>Punjab</b>	<b>15,356.450</b>	<b>15,878.745</b>	<b>16,014.581</b>
C01201	Mark-up Cash Loans	945.795	945.795	727.090
C01205	Mark-up Foreign Loans	14,410.655	14,932.950	15287.491
	<b>Sindh</b>	<b>6,997.007</b>	<b>7,496.509</b>	<b>7509.444</b>
C01202	Mark-up Cash Loans	1,589.925	1,589.925	1439.382
C01206	Mark-up Foreign Loans	5,407.082	5,906.584	6070.062
	<b>Khyber Pakhtunkhwa</b>	<b>1,225.364</b>	<b>2,180.045</b>	<b>2651.528</b>
C01203	Mark-up Cash Loans	-	-	-
C01207	Mark-up Foreign Loans	1,225.364	2,180.045	2651.528
	<b>Balochistan</b>	<b>533.289</b>	<b>555.317</b>	<b>667.877</b>
C01204	Mark-up Cash Loans	-	-	167.723
C01208	Mark-up Foreign Loans	533.289	555.317	500.154
	<b>Total</b>	<b>24,112.110</b>	<b>26,110.616</b>	<b>26,843.430</b>

**Loan-Wise Break Up**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
	<b>Mark Up - Cash Loans</b>	<b>2,535.720</b>	<b>2,535.720</b>	<b>2,166.472</b>
C01201	Punjab	945.795	945.795	727.090
C01202	Sindh	1,589.925	1,589.925	1439.382
C01204	Balochistan	-	-	167.723
	<b>Mark Up - Foreign Loans</b>	<b>21,576.390</b>	<b>23,574.896</b>	<b>24,509.235</b>
C01205	Punjab	14,410.655	14,932.950	15287.491
C01206	Sindh	5,407.082	5,906.584	6070.062
C01207	Khyber Pakhtoonkhwa	1,225.364	2,180.045	2651.528
C01208	Balochistan	533.289	555.317	500.154
	<b>Total - Loans</b>	<b>24,112.110</b>	<b>26,110.616</b>	<b>26,675.707</b>

**TABLE 10**  
**Mark Up Receipts (Local Bodies)**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C013</b>	<b><u>Mark Up - Cash Loans</u></b>	<b>38,711.700</b>	<b>41,210.805</b>	<b>51,883.366</b>
C01399	P.B.C.	179.943	179.943	176.811
C01399	NHA	37,005.526	37,005.526	41,848.256
C01399	PIA	722.413	3,198.749	3,823.836
C01399	CDA	350.000	350.000	350.000
C01399	Pakistan Machine Tool Factory	63.832	84.334	89.659
C01399	State Engineering Corporation	13.681	15.948	16.675
C01399	Heavy Mechanical Complex Taxila	34.800	34.800	34.800
C01399	Lahore Garment City Lahore	60.340	60.340	58.618
C01399	Pakistan Engineering Company	186.856	186.856	184.906
C01399	Printing Corporation of Pakistan	94.309	94.309	83.624
	Pakistan Steel Mil	-	-	5,216.181
<b>C013</b>	<b><u>Mark Up - Foreign Loans</u></b>	<b>35,249.959</b>	<b>61,651.389</b>	<b>63,210.802</b>
C01399	GIK Institute	2.900	2.535	0.642
C01311	Karachi Port Trust	1,225.259	1,274.160	1276.977
C01324	PAEC	-	-	-
C01399	Chashma Nuclear Power Plant	13,316.959	7,947.883	7,613.160
C01399	SKMT	1.087	1.187	1.092
C01399	CDA	-	-	-
C01330	NHA	18,261.592	48,942.197	50,986.364
C01399	PPAF	80.610	80.610	71.014
C01399	NEPRA	2.087	2.087	2.027
C01399	TEVTA	25.405	25.405	21.901
C01399	ERRA	1,768.017	1,768.017	1595.527
C01399	OGRA	2.380	2.380	2.312
C01322	SSGC	1.199	1.199	1.18
C01399	Gwadar Port Authority	312.325	312.325	312.325
C01399	SUPARCO	250.139	1,291.404	1326.281
<b>C013</b>	<b>Total - Local Bodies</b>	<b>73,961.659</b>	<b>102,862.194</b>	<b>115,094.168</b>

**TABLE 11**  
**Mark Up Receipts**  
**(Financial Institutions)**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C014</b>	<b>Mark up - Foreign Loans</b>	<b>45.298</b>	<b>460.507</b>	<b>536.544</b>
<b>C01401</b>	<b>IDBP</b> IDBP	45.298	45.082	16.360
<b>C01411</b>	<b>PMRC</b> Pakistan Industrial & Commercial Leasing)	-	415.425	520.184
	<b>Total Mark up</b>			
	<b>(Financial Institutions)</b>	<b>45.298</b>	<b>460.507</b>	<b>536.544</b>

**TABLE 12**  
**Mark Up Receipts**  
**(Non-Financial Institutions)**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
	<b>Power Sector</b>			
	<b>Mark-up Cash Loans</b>	<b>13,883.832</b>	<b>15,358.093</b>	<b>14,449.753</b>
C015				
C01501	WPDW WAPDA (water wing)	595.694	642.411	952.536
C01502	WPDW WAPDA (power wing)	9,138.716	9,138.716	9,007.046
C01599	TSCO TESCO	18.882	18.882	16.282
C0150A	QSCO QESCO	305.226	503.956	735.030
C01599	MPCO MEPCO	99.146	99.146	97.330
C0150B	GNC1 GENCO-I	18.889	18.889	15.460
C0150B	GNC2 GENCO-II	1,003.799	1,003.799	980.837
C0150B	GNC3 GENCO-III	245.882	245.882	233.595
C0150B	GNC4 GENCO-IV	2.036	2.036	1.684
C0150C	NTDC NTDC	115.562	115.562	115.562
C01599	NJHP NJHP	2,340.000	2,340.000	2,294.391
C01599	GLNG GENCOS (LNG)	-	1,228.814	-
	<b>Mark up-Foreign Loans</b>	<b>26,422.272</b>	<b>29,164.261</b>	<b>26,323.743</b>
C01517	WPDW WAPDA (Power Wing)	8,340.114	9,182.373	8,085.449
C01516	WPDW WAPDA (water wing)	58.807	70.170	62.973
C01599	TESCO TESCO	0.020	0.017	-
C01599	GENCO-II	-	-	-
C01599	GENCO-III	-	-	-
C01599	LSCO LESCO	496.656	496.656	438.001
C01599	NTDC NTDC	3,910.367	4,799.469	4,402.971
C01599	ISCO IESCO	552.026	668.537	590.366
C01599	HSCO HESCO	498.915	541.214	478.059
C01599	PSCO PESCO	387.130	437.920	398.844
C01599	QSCO QESCO	810.019	810.019	749.999
C01599	GPCO GEPCO	338.956	338.956	308.883
C01599	FSCO FESCO	395.325	405.051	370.922
C01599	MPCO MEPCO	786.854	801.389	717.053
C01599	PPCO PEPCO	60.056	60.056	57.238
C01599	NJHP NJHP	9,787.027	10,552.434	9,662.985
	<b>Total - Power Sector (A)</b>	<b>40,306.104</b>	<b>44,522.354</b>	<b>40,773.496</b>
	<b>Autonomous Bodies/Corporations</b>			
	<b>Mark up Foreign Loans</b>	<b>484.784</b>	<b>487.294</b>	<b>385.638</b>
C01527	PAKR Pakistan Railways	479.200	481.71	381.117
C01599	KFHA Karachi Fish Harbour Authority	5.584	5.584	4.521
	<b>Total - Autonomous Bodies/Corporations (B)</b>	<b>484.784</b>	<b>487.294</b>	<b>385.638</b>
	<b>Total Non-Financial Institutions (A+B)</b>	<b>40,790.888</b>	<b>45,009.648</b>	<b>41,159.134</b>

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C016</b>	<b>Government Servants</b>			
<b>C01605</b>	<b>FGCG</b> Cantt/Garrison Educational Institutions	5.107	2.552	2.680
<b>C01605</b>	<b>AGP1</b> Office of the AGPR, Isb	109.918	109.639	120.603
<b>C01605</b>	<b>AGLO</b> AGPR sub-office, Lahore	58.471	55.400	66.480
<b>C01605</b>	<b>AGKA</b> AGPR sub-office, Karachi	13.659	15.024	16.526
<b>C01605</b>	<b>AGPR</b> AGPR sub-office, Peshawar	6.034	27.415	30.156
<b>C01605</b>	<b>AGQA</b> AGPR sub-office, Quetta	1.490	2.488	2.560
<b>C01605</b>	<b>AGGL</b> AGPR sub-office, Gilgit	17.086	7.630	8.393
<b>C01605</b>	<b>MOD2</b> Defence	6.060	8.179	8.261
<b>C01605</b>	<b>PPOD</b> Pakistan Post Office Deptt	4.700	4.700	5.000
<b>C01605</b>	<b>PWD1</b> Pak PWD	1.055	2.020	2.100
<b>C01605</b>	<b>MINT</b> Pakistan Mint	0.522	0.409	0.660
<b>C01605</b>	<b>CAOF</b> CAO (Ministry of Foreign Affairs)	0.092	0.084	0.092
<b>C01605</b>	<b>CDNS</b> Central Dte of National Savings	4.837	4.457	4.978
<b>C01605</b>	<b>GSOP</b> Geological Survey of Pakistan	1.259	1.047	1.151
<b>C01605</b>	<b>NTF1</b> National Tariff Commission	0.243	0.088	0.165
	<b>Total Government Servants</b>	<b>230.533</b>	<b>241.132</b>	<b>269.805</b>
<b>C017</b>	<b>AJK &amp; Others</b>			
	<b>Mark up - Cash Loans</b>	<b>11,453.341</b>	<b>14,873.231</b>	<b>14,301.961</b>
<b>C01701</b>	Government of AJ&K	11,453.311	14,873.166	14,301.891
C01730	PNRA	0.030	0.065	0.07
	<b>Mark up - Foreign Loans</b>	<b>204.570</b>	<b>554.743</b>	<b>469.645</b>
<b>C01702</b>	Government of AJ&K	186.211	529.166	433.154
<b>C01709</b>	Government of GB	18.359	25.577	36.491
	<b>Mark up - Other Loans</b>	<b>2,785.919</b>	<b>2,897.356</b>	<b>3,488.423</b>
<b>C01799</b>	<b>Guarantee Fee on Foreign Loans (EAD)</b>	<b>2,785.919</b>	<b>2,897.356</b>	<b>3,488.423</b>
	<b>Total (AJK &amp; Others)</b>	<b>14,443.830</b>	<b>18,325.330</b>	<b>18,260.029</b>
<b>C01801</b>	<b>Commercial Departments</b>			
<b>C01801</b>	Pakistan Post Office Deptt	22.500	18.000	25.000
	<b>Total (Commercial Deptts)</b>	<b>22.500</b>	<b>18.000</b>	<b>25.000</b>
	<b>Total Mark up Cash Loans (PSEs &amp; Others)</b>	<b>64,279.406</b>	<b>71,683.261</b>	<b>80,904.885</b>
	<b>Total Mark up Foreign Loans (PSEs &amp; Others)</b>	<b>65,215.302</b>	<b>95,233.550</b>	<b>94,439.795</b>
	<b>Total (PSEs &amp; Others)</b>	<b>129,494.708</b>	<b>166,916.811</b>	<b>175,344.680</b>
	<b>Estimated Shortfall</b>	<b>5,000.000</b>	<b>130,000.000</b>	<b>82,000.000</b>
	<b>Net Total (PSEs &amp; Others)</b>	<b>124,494.708</b>	<b>36,916.811</b>	<b>93,344.680</b>
	<b>Total Provinces</b>	<b>24,112.110</b>	<b>26,110.616</b>	<b>26,675.707</b>
	<b>Grand Total (Mark-up)</b>	<b>148,606.818</b>	<b>63,027.427</b>	<b>120,020.387</b>

### 4.3.3 Dividend on Government Investments

4.3.3.1 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.

4.3.3.2 The details of the estimates are given below:

**TABLE 13  
DIVIDENDS**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C01901</b>	<b>Financial Institutions (A)</b>	<b>895.000</b>	<b>785.250</b>	<b>860.250</b>
C01901	<b>NIT1</b> National Investment Trust	300.000	300.000	300.000
C01901	<b>NBP1</b> NBP	45.000	45.000	45.000
C01901	<b>POIC</b> Pak Oman Investment co	250.000	215.250	215.250
C01901	<b>PBI1</b> Pak Brunie Investment	150.000	150.000	150.000
C01901	<b>PIJI</b> Pak Iran Joint Investment	150.000	75.000	150.000
<b>C01902</b>	<b>Non-Financial Institutions (B)</b>	<b>65,067.600</b>	<b>47,385.337</b>	<b>60,118.000</b>
C01902	<b>PPL1</b> Pakistan Petroleum Limited	5,000.000	5,000.000	5,000.00
C01902	<b>MGCL</b> Mari Gas Company Limited	100.000	100.000	100.000
C01902	<b>PSO1</b> Pakistan State Oil	1,000.000	800.000	1,000.000
C01902	<b>PARL</b> Pak Arab Refinery	8,000.000	6,000.000	8,000.000
C01902	<b>SNGP</b> SNGPL	1,500.000	1,500.000	1,500.000
C01902	<b>SSGCL</b> SSGCL	-	-	-
C01902	<b>GHPL</b> GHPL	5,000.000	5,000.000	5,000.000
C01902	<b>OGDC</b> OGDCL	35,000.000	23,000.000	30,000.000
C01902	<b>PMDC</b> PMDC	100.000	100.000	120.000
C01902	<b>SLIC</b> SLIC	800.000	713.610	800.000
C01902	<b>NIC1</b> NIC	500.000	500.000	500.000
C01902	<b>PRC</b> Pak Re-Insurance Corporat	500.000	300.000	500.000
C01902	<b>FFCL</b> Fauji Fertilizer Co.Ltd	80.000	80.000	80.000
C01902	<b>PSL1</b> Pakistan Services Ltd	6.000	6.000	6.000
C01902	<b>PIDC</b> PIDC	80.000	80.000	80.000
C01902	<b>NSC1</b> National Shipping Corp	250.000	231.267	250.000
C01902	<b>NPAK</b> NESPAK	50.000	72.310	80.000
C01902	<b>PTCL</b> PTCL	6,300.000	3,100.000	6,300.000
C01902	<b>NFC1</b> NFC	100.000	100.000	100.000
C01902	<b>NTDC</b> NTDC	500.000	500.000	500.000
C01902	<b>TCP</b> Trading Corporation of Pakistan	200.000	200.000	200.000
C01902	<b>TPS1</b> Tourism Promotion Services	1.600	2.150	2.000
<b>Total - Dividends (A+B)</b>		<b>65,962.600</b>	<b>48,170.587</b>	<b>60,978.250</b>



#### 4.4 Receipts from Civil Administration and Other Functions

##### 4.4.1 General Administration Receipts

##### 4.4.1.1 Organs of State

4.4.1.1.1 These receipts are realized on account of fees received from the candidates appearing in various competitive examinations conducted by Federal Public Service Commission (FPSC), tuition fees charged by the Pakistan Forest Institute etc. However, the major portion of receipts under this head come from FPSC. Estimates of receipts on this account are given below:

**TABLE 14**  
**Receipt from Civil Administration- Organs of State**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C021</b>	<b>Receipt from Civil Administration</b>	<b>262.500</b>	<b>393.000</b>	<b>397.000</b>
<b>C021</b>	<b>Organs of State</b>			
<b>C02101</b>	<b>FPS1</b> Federal Public Service Commission	225.000	366.000	370.00
<b>C02155</b>	<b>SEC9</b> SAFRON (Recovery of over Payments)	25.000	22.000	22.000
<b>C02153</b>	<b>SEC9</b> SAFRON (PWD)	5.000	5.000	5.000
C02199	Miscellaneous Receipts	7.500		

##### 4.4.1.2 Fiscal Administration

##### 4.4.1.2.1 Audit Fees

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.

##### 4.4.1.2.2 State Bank of Pakistan Receipts

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 put in circulation in one year are also deposited by the State Bank in Government Account.

##### 4.4.1.2.3 Pakistan Mint Receipts

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

#### 4.4.1.2.4 Pension and Gratuity Contribution

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

The estimates of receipts from fiscal administration are given below:

**TABLE 15**  
**General Administration Receipt - Fiscal Administration**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C022</b>	<b><u>General Admn. Receipts - Fiscal Admn</u></b>	<b>407,291.000</b>	<b>785,666.093</b>	<b>620,666.084</b>
<b>C022</b>	<b><u>Fiscal Administration - Audit</u></b>			
<b>C02206</b>	<b>AGP1</b> Receipts of AGP office (Audit Other)	3.000	1.093	1.084
<b>C022</b>	<b><u>Fiscal Administration - Currency</u></b>			
<b>C02211</b>	<b>SBP1</b> SBP Profit	406,070.000	785,000.000	620,000.000
<b>C02212</b>	<b>SBP1</b> Currency Dividend from SBP	3.000	-	-
<b>C02227</b>	<b>SBP1</b> Penalty imposed by SBP on NBP	15.000	15.000	15.000
<b>C022</b>	<b><u>Fiscal Administration - Mint</u></b>			
<b>C02233</b>	<b>MINT</b> Pakistan Mint (Assay Account)	50.000	50.000	50.000
<b>C02234</b>	Other			
<b>C022</b>	<b><u>Fiscal Administration in Aid of Superannuation</u></b>			
<b>C02241</b>	<b>AGPR</b> Contribution of Pension and gratuities (AGPR)	750.000	600.000	600.000
<b>C02234</b>	Miscellaneous Receipts	400.000	-	-

#### 4.4.1.3 Economic Regulations

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

**TABLE 16**  
**General Administration Receipt - Economic Regulations**

		(Rs. In Million)			
Object Code	Description	DIVISION/ OFFICE	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C023</b>	<b><u>Economic Regulations</u></b>		<b>1,900.000</b>	<b>2,341.310</b>	<b>2,376.000</b>
<b>C02301</b>	Trade Mark Reg Fee & Other Misc Receipts		100.000	65.310	100.00
<b>C02302</b>	<b>SECP1</b> Fees realized under Insurance Act 1938/1989 (SECP)		1,050.000	1,526.000	1,526.00
<b>C02308</b>	<b>TDAP</b> Anti Dumping Duties Fee & Tariff Protection Fee		750.000	750.000	750.00
<b>C02370</b>	<b>Others</b>		-	-	-

TABLE 17

## General Administration Receipt Economic Statistics

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C024</b>	<b>General Admn. Statistics</b>	<b>900.250</b>	<b>8.050</b>	<b>1.130</b>
<b>C02401</b>	<b>PBSS</b> Sale of Census Publication (Planning)	0.250	0.050	0.060
<b>C02470</b>	<b>PBSS</b> Sale of data Misc. Receipts (Others) (Planning)	800.000	8.000	1.070
<b>C02470</b>	Others- Recovery of unspent from provinces	100.000	-	-
<b>Total Gen Admn (Excl SBP Profit)</b>		<b>4,283.750</b>	<b>3,408.453</b>	<b>3,440.214</b>

## 4.4.2 Defence Services Receipts

4.4.2.1 These receipts are realized mainly on account of dues from civil agencies, sale & auction of obsolete stores and charges realized on account of use of army aviation facilities, hospital stoppages roll and receipt of Govt. share out of the fees paid by civil patients treated in Military Hospitals etc.

4.4.2.2 The estimates of defence receipts are given below :

TABLE 18

## Defence Services Receipts

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C025</b>	<b>Defence Services Effective</b>	<b>15,453.135</b>	<b>17,553.135</b>	<b>18,430.502</b>
<b>C02520</b>	<b>MODS</b> Effective (MOD+Defence Production Div)	14,125.792	16,225.792	17,036.792
<b>C02520</b>	<b>CMHH</b> Hospital Stoppage (Defence Div)	1,327.343	1,327.343	1,393.710

## 4.4.3 Law and Order Receipts

4.4.3.1 These receipts represent the proceeds from fines imposed by Insurance Appellate Tribunals, Federal Service Tribunals, Income Tax 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.

4.4.3.2 The estimates of receipts from law and order are given as under;

**TABLE 19**  
**Law and Order Receipts**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C026</b>	<b><u>Law and Order Receipts</u></b>	<b>2,034.450</b>	<b>1,136.567</b>	<b>1,198.172</b>
<b>C026</b>	<b><u>Justice</u></b>			
<b>C02601</b>	Sale proceeds of unclaimed and escheated property			
<b>C02602</b>	<b>LAW</b> Court fee/copying fee & fine (Justice Law Courts)	149.150	250.000	250.180
<b>C02604</b>	General Fees, Fines and Forfeitures			
<b>C02606</b>	<b>SCP</b> Supreme Court of Pakistan	5.000	-	-
<b>C02609</b>	Receipt of the Official Record Room			
<b>C02610</b>	Recoveries of overpayments	-	80.834	85.484
<b>C02613</b>	Others	-	3.450	4.460
<b>C02669</b>	<b>LAW</b> Cost of service/copying fee FST (Law & Justice)	0.850	1.000	2.000
<b>C026</b>	<b><u>Frontier Watch and Ward</u></b>			
<b>C02621</b>	<b>MOI1</b> Frontier Constabulary & Militia Receipts (MOI)	-	200.264	230.120
<b>C02635</b>	<b>MOI1</b> Receipts under Arms Act (MOI)	300.000	200.000	200.000
<b>C02636</b>	<b>AGP</b> Fees fines and forfeitures (AGP)	-	0.008	2.048
<b>C02637</b>	<b>OCCI</b> Receipts of Motor Driving Licenses (ICT)			
<b>C02638</b>	<b>OCCI</b> Traffic Fines (ICT)	800.000	394.000	414.000
<b>C02647</b>	<b>CAF1</b> Fines and Penalties (CAF, Interior)	20.000	1.320	1.720
<b>C02648</b>	<b>CAF1</b> Recoveries of Over Payments (CAF, Interior)	439.450	4.691	7.160
<b>C02650</b>	Others	-	1	1
<b>C02669</b>	<b>SEC9</b> Other - Frontier Regions (SAFRON)	20.000	-	-
<b>C02677</b>	<b>Misc Receipts</b>	<b>300.000</b>	-	-

#### 4.4.4 Community Services Receipts

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

**TABLE 20**  
**Community Services Receipts**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C027</b>	<b><u>Community Services Receipts</u></b>	<b>1,450.172</b>	<b>1,039.302</b>	<b>1,096.627</b>
<b>C027</b>	<b><u>Works- Building</u></b>			
<b>C02701</b>	<b>HOUS</b> Rent of Govt Buildings realized by Estate Office	850.000	500.000	500.000
<b>C02701</b>	<b>HOUS</b> Housing & Works (Ground Rent Section)	-	100.000	100.000
<b>C02701</b>	<b>PMD2</b> <b>Building Rent (Pak. Met. Deptt. Ibd) (Aviation Div)</b>	5.000	0.500	0.500
<b>C02701</b>	<b>CAF1</b> Rent of buildings realized by Frontier Corps. Khyber Pakhtunkhwa, Peshawar (Interior Division)	3.801	0	0

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
C02701	AGP1 Recovery of Building Rent (AGP)	6.521	3.152	1.377
C02701	PAEC Building Rent of PAEC (Hostel Charges)	20.000	25.000	25.000
C02705	<b>PMD2 Collection of Payment for Services Rendered (Pak. Met. Deptt. Ibd) (Aviation Div)</b>	-	1.000	1.000
C02706	<b>PMD2 Others - (Pak. Met. Deptt. Ibd) (Aviation Div)</b>	-	1.000	1.000
C02706	HOUS Other Receipts of Pak. PWD (including GRS)	338.600	250.650	300.600
C02706	Miscellaneous Receipts	80.000	40.000	40.000
C027	<b><u>Works - Communication</u></b>			
C02711	HOUS Rent of Govt Buildings realized by Pak PWD	100.000	80.000	84.000
C02714	Recoveries of overpayments			
C02716	CMTC Others- CTTI - Hostel Charges/Fees (Comm. Div.)	6.200	6.700	7.400
C027	<b><u>Public Health</u></b>			
C02721	Sale proceeds of sera and vaccines	.	1.600	2.000
C02725	Collection of payments for services rendered	.	6.200	9.250
C027	<b><u>Science Research and Survey</u></b>			
C02731	SOP1 Scientific Research and Survey (Survey of Pakistan) (Defence Div)	40.050	21.000	22.000
C02734	PMD2 <b>Other - Met. Data Sale Charges, Lahore, Karachi (Aviation Div.)</b>	-	2.500	2.500

#### 4.4.5 Social Services Receipts

4.4.5.1 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 21**  
**Social Services Receipt**

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
C028	<b><u>Social Services</u></b>	<b>665.675</b>	<b>428.053</b>	<b>450.057</b>
C02818	Education Fees from Schools & Colleges (MoFE&TT)	240.000	108.188	117.634
C02818	Education Fees from Schools and Colleges (MOD)	125.000	91.031	93.000
C02818	Pakistan Computer Bureau	1.800	-	-
C02823	National Archives (Cabinet Division)	0.025	0.025	0.030
C02824	National Library of Pakistan (Heritage Division)	1.500	1.500	1.500
	<b><u>Health</u></b>			
C02825	Health - Hospital Receipts	-	5.430	5.701
C02826	Health - Recoveries of Diet Charges	-	2.676	2.810
C02827	Health - Rooms Rent	-	18.132	19.040
C02828	H.Govt.share fees realized by doctors from patient	110.000	179.416	188.387
C02860	OCCI Sale of Vaccination (ICT/MoNHSRC)	1.500	1.525	1.775
C02871	Receipts of Health Establishments (MoNHSRC)	8.850	1.650	1.700
C02871	Miscellaneous Receipts	7.000	7.000	7.00
C02875	Health Hospital Receipts of Federal Govt Hospitals (MoNHSRC)	170.000	11.480	11.48

#### 4.4.6 Social Services Misc Receipts

4.4.6.1 Under Social Services Miscellaneous Head, the Emigration Fee deposited by Pakistani Workers working abroad in terms of Emigration Ordinance, 1979 are reflected. 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. 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 22**  
**Social Services Miscellanenous Receipts**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C029</b>	<b>Social Services Miscelaneous</b>	<b>1,000.350</b>	<b>1,100.003</b>	<b>1,000.003</b>
<b>C02905</b>	<b>OCCI</b> Receipts under West Pakistan Ordinance 1969 (ICT)	0.350	0.003	0.003
<b>C02906</b>	<b>BEO1</b> Registration and other fees Pakistanis working Abroad (Imigration Fee, Bol & Overseas) M/o Overseas Pak.	1,000.000	1,100.000	1,000.00

#### 4.5 Miscellaneous Receipts

4.5.1 Miscellaneous receipts comprise (i) Economic Services Receipts and (ii) Other Receipts. A brief description of these receipts is given in the following paragraphs.

##### 4.5.2 Economic Services Receipts

##### 4.5.2.1 Agricultural Receipts

4.5.2.1.1 These receipts are realized on account of quarantine fee on animal exports/imports by National Food Security and Research Division.

4.5.2.2 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 23**  
**Economic Services Receipts - Food & Agriculture (Miscellanenous Receipts)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C031</b>	<b>Food &amp; Agriculture</b>	<b>640.587</b>	<b>279.450</b>	<b>641.070</b>
<b>C031</b>	<b>Food</b>			
<b>C03101</b>	<b>OCCI</b> Food Department (ICT)	0.060	0.060	0.100
<b>C03102</b>	Recoveries of Overpayments			
<b>C03103</b>	<b>OCCI</b> Services Rendered (ICT)	0.030	0.030	0.030
<b>C031</b>	<b>Agriculture Receipts</b>			
<b>C03116</b>	<b>OCCI</b> Agriculture Receipts (ICT)	0.300	29.760	31.240
<b>C03123</b>	<b>DPPK</b> Plant Protection services (NFS&R)	239.297	198.700	208.700
<b>C03124</b>	<b>OCCI</b> Receipts from soil conservation & Operations (ICT)	0.900	0.900	1.000
<b>C03199</b>	Miscellaneous Receipts	400.000	50.000	400.000

4.5.2.3 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 24**  
**Economic Services Receipts-Fisheries & Animal Husbandry**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C032</b>	<b><u>Fisheries &amp; Animal Husbandry</u></b>	<b>204.750</b>	<b>245.700</b>	<b>235.250</b>
<b>C032</b>	<b><u>Fisheries</u></b>			
<b>C03201</b>	<b>OCCI</b> Ordinary Receipts (Fisheries) - ICT	11.750	11.500	22.000
<b>C03201</b>	Receipts of Marine Fisheries Department (MoMA)	43.000	43.000	48.000
	Receipts of Pakistan Maritime Security Agency (MOD)	5.000		
C03205			35.000	5.000
<b>C032</b>	<b><u>Animal Husbandry</u></b>			
<b>C03226</b>	Receipts from transferred Agricultural Farms			
<b>C03227</b>	<b>OCCI</b> Insemination Fees (ICT)	5.000	0.200	0.250
<b>C03229</b>	Recovery of Overpayments			
<b>C03231</b>	<b>AQD4</b> Receipts of Animal Quarantine Deptt (NFS&R)	140.000	140.000	145.000
<b>C03231</b>	Others- Income from RVMP, Registration of Animal Husbandry Graduates, Students, Faculty Registration, Inspection Fee (PVMC)	-	16.000	15.000

**TABLE 25**  
**Economic Services Receipts-Forest**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C033</b>	<b>Economic Services Receipts - Forest</b>	<b>0.300</b>	<b>0.300</b>	<b>0.300</b>
<b>C03370</b>	Other Receipts (ICT)	0.300	0.300	0.300

**TABLE 26**  
**Economic Services Receipts-Cooperation Irrigation, Embankment**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C034</b>	<b><u>Economic Service Receipt- Cooperation Irrigation, Embankment, Drainage</u></b>	<b>16.000</b>	<b>5.000</b>	<b>5.000</b>
<b>C03406</b>	Others - Miscellaneous Receipts (ICT)	16.000	5.000	5.000

4.5.2.4 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.

#### 4.5.2.5 Receipts from Cabinet Division

4.5.2.5.1 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.

#### 4.5.2.6 Receipts from Explosive Department

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

#### 4.5.2.7 Receipts from Lighthouses and Lightships

4.5.2.7.1 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 transportation and communication heads.

**TABLE 27**  
**Economic Services Receipts-Others**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C035</b>	<b><u>Economic Services Receipts - Others</u></b>	<b>1,264.900</b>	<b>723.572</b>	<b>1,214.400</b>
<b>C035</b>	<b><u>Industrial and Mineral Resources</u></b>			
<b>C03506</b>	<b>DOE1</b> Industrial Safety Explosives Department (M/o Industries)	700.000	250.000	700.000
<b>C03518</b>	<b>PAEC</b> PAEC (cost of tender documents)	2.000	2.000	2.000
<b>C035</b>	<b><u>Stationery</u></b>			
<b>C03526</b>	<b>DSF1</b> Department of Stationery & Forms (Cabinet Division)	1.200	1.200	1.200
<b>C03545</b>	Receipts under Excise Duty on Minerals	-	1.650	1.700
<b>C03545</b>	<b>OCCI</b> Excise Duty on Minerals under Partnership Act (ICT)	1.700	0.450	0.500
<b>C03560</b>	Survey Fees - Mercantile Marine Department, Karachi (MoMA)	80.000	60.000	60.000
<b>C03560</b>	Mercantile Marine Department, Gawadar (MoMA)	-	1.628	2.000
<b>C03561</b>	Fees for the Engagement and Discharges - Seamen's Pakistan Marine Academy- Registration and Other	25.000	25.000	25.000
<b>C03565</b>	Fee	10.000	6.644	11.000
<b>C035</b>	<b><u>Lighthouses and Lightships</u></b>			
<b>C03571</b>	Light Dues- Lighthouses & Light Ships (MoMA)	425.000	370.000	406.000
<b>C03576</b>	Miscellaneous Receipts	20.000	5.000	5.000

**TABLE 28**  
**Foreign Grants**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C036</b>	<b>Grants</b>	<b>18,794.500</b>	<b>27,462.737</b>	<b>22,516.769</b>
<b>C03601</b>	Foreign Grants- Devp. Grants from Foreign Govt.	18,794.500	27,462.737	22,516.769

#### 4.5.3 Other Receipts

4.5.3.1 These receipts are realized by different Ministries, Divisions and Departments. The brief introduction of the main regular receipts under this head is given as under with a relevant statistics in two tables;

##### 4.5.3.2 Receipts From UN, Staff Welfare and Accreditation

4.5.3.2.1 The major portion of receipts comes from United Nations in lieu of services rendered by Pakistani troops taking part in various peacekeeping operations worldwide. The other receipts are generated by various staff welfare initiatives and accreditation services. Budget Estimates are given as under;



**TABLE 29**  
**Extraordinary Receipts**

(Rs. In Million)				
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C037</b>	<b>Receipts</b>	<b>30,056.694</b>	<b>27,620.677</b>	<b>28,286.120</b>
<b>C037</b>	<b>Extra Ordinary Receipts</b>			
<b>C03707</b>	<b>PAEC</b> PAEC (Penalties)	0.200	0.200	0.200
<b>C03720</b>	Miscellaneous Receipts	10.000	-	-
<b>C037</b>	<b>Other Receipts</b>			
<b>C03725</b>	<b>MOI1</b> Others- Receipts from UN (Military) M/o Defence	26,852.400	26,852.400	27,456.340
<b>C03725</b>	<b>MOI2</b> Others- Receipts from UN (Civil) M/o Interior	3,147.600	588.150	589.150
<b>C03727</b>	<b>AGP1</b> Recovery of Monetized Value (AGP)	0.474	0.391	0.430
<b>C03743</b>	Working Women Hostel, G-6/3, Islamabad etc	4.020	-	-
<b>C03743</b>	<b>SWO1</b> Receipts of Staff Welfare Organization (Estb. Div)	32.000	21.536	32.000
<b>C03744</b>	<b>PANC</b> Pak. National Accreditation Council (M/o Science)	10.000	8.000	8.000
<b>C03761</b>	Surplus Profit of NADRA	-	75.000	100.000
<b>C03762</b>	Surplus Profit of Civil Aviation Authority	-	75.000	100.000
<b>C03781</b>	Fines and Penalties by NADRA	-	-	-

#### 4.5.3.3 Citizenship, Naturalization and Passport Fees

4.5.3.3.1 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.

**TABLE 30**  
**Citizenship, Naturalization, Passport and Copyright Fees**

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C038</b>	<b>Passport Fees</b>	<b>25,000.000</b>	<b>25,000.000</b>	<b>25,000.000</b>
<b>C03897</b>	<b>DGIP</b> Citizenship, Naturalization & Passport Fee (MOI)	25,000.000	25,000.000	25,000.000

#### 4.5.3.4 Royalty, Pollution, Trekking Fees From Tourists

4.5.3.4.1 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.

#### 4.5.3.5 Receipts from Tourism Department

4.5.3.5.1 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.

#### 4.5.3.6 Receipts Collected by Ministry of Foreign Affairs

4.5.3.6.1 It includes the receipts realized on the auction of vehicles, sale of used machinery and equipment, 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.

#### 4.5.3.7 Kashmir Affairs and Gilgit Baltistan Division

4.5.3.7.1 These include the receipts from motor vehicles, forest revenues, agriculture income, rent of buildings, electricity charges and other indirect taxes collected and deposited directly into the Government Treasury by the administration of the Kashmir Affairs & Gilgit - Baltistan Division.

#### 4.5.3.8 States and Frontier Region Division

4.5.3.8.1 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.

#### 4.5.3.9 Receipts from Special Communication Organization

4.5.3.9.1 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.

**TABLE 31**  
**Details of Other Receipts**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>C038</b>	<b>Other Receipts</b>	<b>14,714.102</b>	<b>56,304.289</b>	<b>67,575.282</b>
<b>C03801</b>	<b>CAF1</b> Civil Armed Forces (Unclaimed Deposits) (MOI)	30.349		-
<b>C03802</b>	<b>CAF2</b> Civil Armed Forces (Sale of Stores) (MOI)	60.000		-
<b>C03802</b>	<b>MSA1</b> Sale of stores Materials - Defence Div (Main+PMSA)	0.500	0.500	0.500
<b>C03802</b>	<b>PAEC</b> Sale of Stores & Material (PAEC)	17.650	17.650	18.650
<b>C03802</b>	<b>MOFA</b> Sale of Stores and Material (M/o Foreign Affairs)	2.000	0.500	6.000
<b>C03802</b>	<b>MOIB</b> Sale publicity material & rent of documentaries (MOIB)	0.150	1.150	0.150
<b>C03802</b>	<b>AGP1</b> Sale of Stores and Material (AGP)	2.296	0.602	0.553
<b>C03802</b>	<b>ASFH</b> Sale of Store and Material (ASF) Aviation Div.	1.553	7.369	3.304
<b>C03805</b>	<b>PETR</b> Advance Yearly Rent for Exploration & Prospecting Licensing (Petroleum Div.)	350.000	300.000	300.000
<b>C03805</b>	<b>NCRD</b> Rent, Rates & Taxes (AHK & NCRD)	3.500	1.900	2.000
<b>C03805</b>	<b>MOI1</b> Rent, Rates & Taxes (Auqaf) - ICT	0.400	0.357	0.357
<b>C03805</b>	Health Hospital Receipts (PIMS)	-	2.222	2.333
<b>C03806</b>	<b>OCCI</b> Citizenship Copyrights (ICT)	3.400	1.200	1.500
<b>C03807</b>	<b>CCP1</b> Realizations under the Monopolies & Restrictive (Competition Commission of Pakistan)	100.000	73.250	202.492
<b>C03808</b>	<b>OCCI</b> Receipts - Mines & Mineral Act (ICT)	0.150	0.010	0.010
<b>C0380B</b>	Receipts under Abandoned Properties Act 1975	-	8,000.229	25,000.000
<b>C03812</b>	<b>MOFA</b> Gains on Exchange (M/o Foreign Affairs)	75.000	75.000	80.000
<b>C03814</b>	<b>TDAP</b> Sale Proceeds of GSP (TDAP) (Commerce)	16.000	-	-

(Rs. In Million)

Object	Description	2019-20	2019-20	2020-21
C03818	OCCI Fee for Registration of Societies (ICT)	0.005	0.010	0.010
C03821	DTS3 Receipts of Tourist Department (IPC Div)	30.000	19.000	21.000
C03824	MOFA Recovery of Overpayments (M/o Foreign Affairs)	120.000	90.000	95.000
C03824	ASFH Recoveries of Overpayment (ASF) Aviation Div.	1.320	0.500	0.500
C03825	OCCI Payment for services Rendered (ICT)	0.060	0.080	0.600
C03829	PAEC Other Receipts - Fees, Fines & Forfeitures (PAEC)	0.150	0.150	0.150
C03835	OCCI Arms License Fee (D.C ICT)	20.000	7.500	8.000
C03841	ASFH Airport Entry/ Tender Fees, Fines (ASF) Aviation Div.	3.931	1.500	0.500
C03849	ASFH Contractor Penalty (ASF) Aviation Div.	-	6.000	2.500
C03850	NAB1 Recovery of National Accountability Bureau	200.000	75.000	75.000
C03853	PARC Sale of Publications (PPARC)	0.600	0.600	0.600
C03855	PEP2 EIA Review (Pak. Environmental Protection Agency)	0.630	1.345	1.800
C03870	Others - National Academy of Performing Arts (NAPA) Course Fee & Performance Income. IPC Div.	-	10.377	10.896
C03870	Emergency Relief Cell (Cabinet Division)	10.000	-	21.912
C03870	Receipts of Toshakhana (Cabinet Division)	10.000	10.000	10.000
C03870	Gains on PIBs	-	37,000.000	25,000.000
C03870	PAEC Others PAEC	30.000	30.000	34.000
C03870	NHLH Quaid Azam Papers Wing	0.050	0.050	0.050
C03870	National Language Promotion Deptt	1.500	1.500	1.500
C03870	MOFA Other Receipts of M/o Foreign Affairs	250.000	206.000	210.000
C03870	CGA1 Office of the Controller General of Accounts	0.758	2.838	1.915
C03870	NI Rehabilitation of Medicines	5.150	5.500	6.000
C03870	States & Frontier Regions Div. (FATA)	260.000	-	-
C03870	Miscellaneous Receipts of attached departments	11,000.000	8,000.000	14,000.000
C03870	Miscellaneous Receipts	100.000	-	-
C03870	Income from Swing Pool, Ground Hall and Membership Fee, (Hostel & Others) IPC Div.	-	48.400	49.000
C03884	PETR Fees for Exploration & Prospecting Licensing	1.000		
C03893	SCO1 Receipts of Special Communications Organization	2,000.000	2,300.000	2400.000
C03895	MOIB Film Censorship Fee (MoIB&NH)	6.000	6.000	6.500

#### 4.5.4 Receipts from Oil and Gas Sector

##### 4.5.4.1 Royalty on Oil and Gas

4.5.4.1.1 According to Article 16(1) of the Constitution of Islamic Republic of Pakistan, the royalty collected by the Federal Government shall not form part of the Federal Consolidated Fund and shall be paid to the provinces in which the well-head of natural gas is situated. As per Clause 5 of 7th National Finance Commission Award notified vide President's Order No.5 of 2010, 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.

4.5.4.1.2 Petroleum Exploration & Production Policy 2012 approved by Ministry of Petroleum & Natural Resources Government of Pakistan imposes Royalty on exploration and production of oil and gas. Clause 4.1 of Section II of the said policy provides that Royalty will be payable at the rate of 12.5% of the value of petroleum at the field gate. The royalty will be paid by the Federal Government to Provinces to the extent of their share of liquid and gaseous hydrocarbons (such as LPG, NGL, Solvent oil, gasoline and others) as well as all substances including sulphur, produced in association with such hydrocarbon. The lease rent paid during the year shall not be deductible from the royalty payment. 10% of the royalty will be utilized in the district where oil and gas is produced for infrastructure development.

#### 4.5.4.2 Windfall Levy on Crude Oil

4.5.4.2.1 As per Petroleum Exploration & Production Policy 2012, Windfall Levy (WLO) will be applicable on crude oil and condensate using the formula i.e  $WLO = 0.4 \times (M-R) \times (P-B)$  Where: WLO - Windfall Levy on crude oil and condensate; M - Net production (petroleum produced & saved); R - Royalty; P - Market Price of crude oil and condensate; B - Base Price. All the benefit of windfall levy may be equally divided between the Federal Government and Provincial Government concerned.

#### 4.5.4.3 Discount on Local Crude Oil

4.5.4.3.1 Crude Oil and Natural Gas is explored/extracted by the Exploration and Production (E&P) Companies working under "Petroleum Concession Agreement (PCA)". E&P companies sell the crude oil to refineries at the rate prevailing in the international market based on the formula as per PCA. Under various agreements, E&P Companies agree to sell the crude oil to refineries at different discounted rate on attainment of certain milestones as per PCA. The amount of discount is retained by the refineries while making payment of crude oil to E&P companies and deposited in Government head of account.

4.5.4.4 The details of development surcharges and levies are given below:-

**TABLE 32**  
**Royalties, Discount retained on Crude Price and Windfall Levy**

Object Code	Description	(Rs. In Million)		
		2019-20 Budget	2019-20 Revised	2020-21 Budget
C03905	Royalty on Oil	24,672.550	25,000.000	23,000.000
C03906	Royalty on Gas	51,560.470	54,050.480	53,812.250
C03910	Discount Retained on Local Crude Price	16,000.000	16,000.000	17,000.000
C03915	Windfall Levy against Crude Oil	7,000.000	7,000.000	8,000.000
C03917	Petroleum Levy on LPG.	4,000.000	3,635.000	5,516.000
<b>Total - Development Surcharges and Royalties other than Petroleum Levy</b>		<b>103,233.020</b>	<b>105,685.480</b>	<b>107,328.250</b>

**Chapter 5: PROVINCIAL SHARE IN REVENUE RECEIPTS**

5.1 The provincial share of revenues from the divisible pool taxes, straight transfers etc. is governed in accordance with the provisions of 7th National Finance Commission Award notified vide President's Order No.5 of 2010 issued on 10th May, 2010, which is reproduced as under:

**PRESIDENT'S ORDER NO.5 OF 2010**

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 well-head; 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	82.0%
(b) Poverty or backwardness	10.3%
(c) Revenue collection or generation	5.0%
(d) Inverse population density	2.7%

(2) The sum assigned to the Provincial Governments under Article 3 shall be distributed amongst the Provinces on the basis of the percentage specified against each:-

(a) Balochistan	9.09%
(b) Khyber Pakhtunkhwa	14.62%
(c) Punjab	51.74%
(d) Sindh	<u>24.55%</u>
<b>Total:</b>	<b><u>100.00%</u></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 desired.

**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**

5.2 Distribution of Revenues and Grants-in-Aid Order, 2010 (President's Order No. 5 of 2010) was slightly amended through President's Order No.6 of 2015, which is reproduced as under;

**PRESIDENT'S ORDER NO.6 OF 2015**

AN  
ORDER

To amend Distribution of Revenues and Grants-in-Aid Order, 2010 (President'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 clause (6) read with clause (7) of Article 16 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 Grants-in-Aid (Amendment) Order 2015.

(2) It shall come into force on the first 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 Revenues and Grants-in-Aid Order, 2010 (P.O. No. 5 of 2010) for Article 4(3) the following shall be substituted;

**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 remain protected throughout Award period based on annual budgetary projections.

MAMNOON HUSSAIN  
President



5.3 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 2019-20 and 2020-21;

**TABLE 33**  
**Provincial Share in Revenue Receipts**  
**2019-20 (Budget)**

(Rs. In Million)						
Object Code	Description	Balochistan	*Khyber Pakhtunkhwa	Punjab	Sindh	Total
	<b>Divisible Taxes (A)</b>	<b>281,229.722</b>	<b>507,655.096</b>	<b>1,603,868.836</b>	<b>761,016.234</b>	<b>3,153,769.888</b>
B01108	Taxes on Income	105,121.681	189,388.996	598,349.375	283,909.493	1,176,769.545
B01809	Capital Value Tax	199.531	359.478	1,135.721	538.886	2,233.616
B02303	Sales Tax excl. GST on	107,737.935	194,253.380	613,717.750	291,201.600	1,206,910.665
B02382	services					
B02383						
B02408	Federal Excise (Net of Gas)	17,845.620	32,150.971	101,576.720	48,196.917	199,770.228
B02503						
B02170	Customs Duties	50,324.955	91,502.271	289,089.270	137,169.338	568,085.834
	<b>Straight Transfers (B)</b>	<b>13,753.681</b>	<b>25,606.400</b>	<b>7,495.572</b>	<b>53,900.137</b>	<b>100,755.790</b>
	Gas Development	0.000	1,693.879	572.487	7,533.634	9,800.000
C03904	Surcharge					
C03908	Royalty on Natural Gas	10,834.027	7,713.472	2,425.882	29,653.889	50,627.270
C03907	Royalty on Crude Oil	0.000	13,493.052	3,780.007	6,906.040	24,179.099
B03044	Excise Duty on Natural Gas	2,919.654	2,705.997	717.196	9,806.574	16,149.421
	<b>Total (A+B)</b>	<b>294,983.403</b>	<b>533,261.496</b>	<b>1,611,364.408</b>	<b>814,916.371</b>	<b>3,254,525.678</b>

\* inclusive of 1% War on terror

**TABLE 34**  
**Provincial Share in Revenue Receipts**  
**2019-20 (Revised)**

(Rs. In Million)

Object Code	Description	Balochistan	*Khyber Pakhtunkhwa	Punjab	Sindh	Total
	<b>Divisible Taxes (A)</b>	<b>281,229.722</b>	<b>356,856.124</b>	<b>1,127,439.516</b>	<b>534,956.322</b>	<b>2,300,481.684</b>
B01108	Taxes on Income	105,121.681	147,823.639	467,029.149	221,599.645	941,574.114
B01809	Capital Value Tax	199.531	222.886	704.178	334.123	1,460.718
B02303	Sales Tax excl. GST on	107,737.935	131,515.514	415,505.795	197,152.440	851,911.684
B02382	services					
B02383						
B02408	Federal Excise (Net of Gas)	17,845.620	27,596.816	87,188.475	41,369.870	174,000.781
B02503						
B02170	Customs Duties	50,324.955	49,697.269	157,011.919	74,500.244	331,534.387
	<b>Straight Transfers (B)</b>	<b>13,984.592</b>	<b>22,241.133</b>	<b>8,007.621</b>	<b>57,365.057</b>	<b>101,598.403</b>
C03904	Gas Development	935.432	(2,103.302)	1,363.466	9,603.414	9,799.010
C03908	Royalty on Natural Gas	11,203.585	9,827.783	1,677.672	31,240.440	53,949.480
C03907	Royalty on Crude Oil	4.155	12,618.392	4,528.423	7,974.623	25,125.593
B03044	Excise Duty on Natural Gas	1,841.420	1,898.260	438.060	8,546.580	12,724.320
	<b>Total (A+B)</b>	<b>295,214.314</b>	<b>379,097.257</b>	<b>1,135,447.137</b>	<b>592,321.379</b>	<b>2,402,080.087</b>

\* inclusive of 1% War on terror

**TABLE 35**  
**Provincial Share in Revenue Receipts**  
**2020-21 (Budget)**

(Rs. In Million)

Object Code	Description	Balochistan	*Khyber Pakhtunkhwa	Punjab	Sindh	Total
	<b>Divisible Taxes (A)</b>	<b>251,663.644</b>	<b>453,401.470</b>	<b>1,432,461.716</b>	<b>679,685.643</b>	<b>2,817,212.473</b>
B01108	Taxes on Income	103,283.548	186,077.384	587,886.775	278,945.117	1,156,192.824
B01809	Capital Value Tax	155.782	280.660	886.709	420.733	1,743.884
B02303	Sales Tax excl. GST on	98,166.971	176,859.271	558,763.375	265,126.417	1,098,916.034
B02382	services					
B02383						
B02408	Federal Excise (Net of Gas)	17,723.494	31,930.946	100,881.582	47,867.083	198,403.105
B02503						
B02170	Customs Duties	32,333.849	58,253.209	184,043.275	87,326.293	361,956.626
	<b>Straight Transfers (B)</b>	<b>13,390.396</b>	<b>24,117.088</b>	<b>6,654.453</b>	<b>62,344.330</b>	<b>106,506.267</b>
C03904	Gas Development	-	1,431.477	(96.689)	14,531.825	15,866.613
C03908	Royalty on Natural Gas	11,189.669	9,120.233	1,628.711	30,797.402	52,736.015
C03907	Royalty on Crude Oil	4.547	11,451.878	4,615.771	7,126.903	23,199.099
B03044	Excise Duty on Natural Gas	2,196.180	2,113.500	506.660	9,888.200	14,704.540
	<b>Total (A+B)</b>	<b>265,054.040</b>	<b>477,518.558</b>	<b>1,439,116.169</b>	<b>742,029.973</b>	<b>2,923,718.740</b>
C	<b>Estimated tax refund recovery</b>					<b>50,000.000</b>
	<b>total (A+B)-C</b>					<b>2,873,718.740</b>

\* inclusive of 1% War on terror

**Chapter 6:****CAPITAL RECEIPTS**

6.1 Capital receipts comprise Recoveries of Loans and Advances from Provinces and other entities and Public Debt which includes Permanent Debt and Floating Debt. The net capital receipts so realized by the federal government generally constitute the available resources for the financing of its Public Sector Development Programme. External finances and un-funded debt (primarily made up of the various instruments available under the National Savings Schemes) also fall under the category of Capital Receipts, however they are covered under separate chapters of this publication.

6.2 The following table indicates the position of Capital receipts for 2019-20 (budget and revised) and 2020-21 (budget).

**TABLE 36**  
**Capital Receipts**

Object Code	Description	(Rs. In Million)		
		2019-20 Budget	2019-20 Revised	2020-21 Budget
	<b>A. Capital Receipts (I+II)</b>	<b>766,197.741</b>	<b>819,399.350</b>	<b>1,377,923.262</b>
	<b>I. Recoveries of Loans and Advances</b>	<b>183,520.370</b>	<b>191,713.099</b>	<b>198,167.262</b>
E021	Provinces	79,370.744	84,666.062	89,024.878
E022-27	PSEs and Others	104,149.626	107,047.037	109,142.384
	<b>II. Public Debt</b>	<b>582,677.371</b>	<b>627,686.251</b>	<b>1,179,756.000</b>
E031	Domestic Debt (Permanent)	282,740.370	472,553.150	779,819.000
E033	Foreign Currency Debt (Permanent)	(63.000)	(41.600)	(63.000)
E032	Floating Debt (Net)	300,000.001	155,174.701	400,000.000
	<b>B. Public Account</b>	<b>724,385.244</b>	<b>974,608.071</b>	<b>792,272.282</b>
	Deferred Liabilities (Net)	278,628.080	430,342.390	227,278.880
	Deposits and Reserves	445,757.164	544,265.681	564,993.402
	<b>C. Total (A+B)</b>	<b>1,490,582.985</b>	<b>1,794,007.421</b>	<b>2,170,195.544</b>
	<b>D. Disbursements</b>	<b>673,117.029</b>	<b>576,743.936</b>	<b>793,917.538</b>
	Federal Govt Misc investments	15,468.198	6,470.132	11,717.200
	Loans and Advances	61,523.185	61,452.309	66,776.000
	Repayment of Short Term Credits	108,300.000	13,722.000	183,691.400
	Deposits and Reserves	487,825.646	495,099.495	531,732.938
	<b>Net Capital Receipts (C-D)</b>	<b>817,465.956</b>	<b>1,217,263.485</b>	<b>1,376,278.006</b>

### 6.3 Recovery of Loans and Advances

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

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

**TABLE 37**  
**Recovery of Loans and Advances**  
**(Provinces)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>Province-Wise Break-up</b>				
E021	<b>Punjab</b>	<b>44,050.291</b>	<b>47,155.167</b>	<b>49,984.305</b>
	Cash Loans	1,822.179	1,822.179	1505.237
	Foreign Loans	42,228.112	45,332.988	48479.068
	<b>Sindh</b>	<b>18,631.372</b>	<b>19,847.733</b>	<b>22,566.029</b>
	Cash Loans	1,159.914	1,159.914	1,310.457
	Foreign Loans	17,471.458	18,687.819	21,255.572
	<b>Khyber Pakhtunkhwa</b>	<b>9,449.315</b>	<b>9,925.918</b>	<b>10,633.716</b>
	Cash Loans	-	-	-
	Foreign Loans	9,449.315	9,925.918	10,633.716
	<b>Balochistan</b>	<b>7,239.766</b>	<b>7,737.244</b>	<b>5,840.828</b>
	Cash Loans	-	-	4.985
	Foreign Loans	7,239.766	7,737.244	5,835.843
	<b>Total (Recovery of Loans)</b>	<b>79,370.744</b>	<b>84,666.062</b>	<b>89,024.878</b>
<b>Loan-wise Break-up</b>				

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
E021	<b>Cash Loans</b>	<b>2,982.093</b>	<b>2,982.093</b>	<b>2,820.679</b>
	Punjab	1,822.18	1,822.179	1505.237
	Sindh	1,159.91	1,159.914	1,310.457
	Khyber Pakhtoonkhwa	-	-	-
	Balochistan	-	-	4.985
	<b>Foreign Loans</b>	<b>76,388.651</b>	<b>81,683.969</b>	<b>86,204.199</b>
	Punjab	42,228.11	45,332.988	48,479.068
	Sindh	17,471.46	18,687.819	21,255.572
	Khyber Pakhtoonkhwa	9,449.32	9,925.918	10,633.716
	Balochistan	7,239.77	7,737.244	5,835.843
	<b>Total - Loans</b>	<b>79,370.744</b>	<b>84,666.062</b>	<b>89,024.878</b>

**TABLE 38**  
**Recovery of Loans and Advances**  
**(Local Bodies)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>E022</b>	<b>Cash Loans</b>	<b>13,688.961</b>	<b>13,688.962</b>	<b>15,523.024</b>
	PTVC	58.753	58.753	58.753
	Lahore Garment City	14.906	14.906	16.628
	NHA	13,306.677	13,306.678	14,520.963
	PBC	84.718	84.718	83.947
	PIA	62.500	62.500	-
	Capital Development Authority	-	-	121.965
	State Engineering Corporation	-	-	0.159
	Pakistant Machine Tool	-	-	5.391
	Printing Corporation of Pakistan	161.407	161.407	172.092
	Pakistan Steel Mil	-	-	543.126
<b>E022</b>	<b>Foreign Loans</b>	<b>39,160.115</b>	<b>33,504.616</b>	<b>35,314.007</b>
	Karachi Port Trust	782.873	813.866	860.354
	NHA	9,535.158	10,601.260	12,336.725
	GIK Institute	110.083	116.119	3.891
	SSGC	-	-	1.501
	Shaukat Khanum Memorial Trust	9.412	10.280	10.873
	NEPRA	0.751	0.751	0.751
	OGRA	0.623	0.623	0.623
	Chashma Nuclear Power Plant	28,721.215	21,961.717	22,099.289
	<b>Total (Local Bodies)</b>	<b>52,849.076</b>	<b>47,193.578</b>	<b>50,837.031</b>

**TABLE 39**  
**Recovery of Loans and Advances**  
**(Financial Institutions)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>E023</b>	<b>Foreign Loans</b>	<b>97.314</b>	<b>97.314</b>	<b>97.314</b>
	IDBP	97.314	97.314	97.314
	<b>Total - Financial Institutions</b>	<b>97.314</b>	<b>97.314</b>	<b>97.314</b>

**TABLE 40**  
**Recovery of Loans and Advances**  
**(Non-Financial Institutions)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>E024</b>	<b>Power Sector</b>			
	<b>Cash Loans</b>	<b>1,897.068</b>	<b>1,892.083</b>	<b>2,379.250</b>
	WAPDA (power wing)	1080.404	1,080.404	1,458.626
	WAPDA (water wing)	39.456	34.471	38.384
	TESCO	19.340	19.340	21.940
	QESCO	23.868	23.868	39.928
	MEPCO	14.034	14.034	15.850
	GENCO-I	19.121	19.121	22.550
	GENCO-II	167.348	167.348	190.227
	GENCO-III	101.842	101.842	114.129
	GENCO-IV	1.963	1.963	2.315
	CPPA	40.100	40.100	40.100
	NJHP	389.592	389.592	435.201
	NTDC	-	-	-
<b>E024</b>	<b>Foreign Loans</b>	<b>32,115.632</b>	<b>37,918.180</b>	<b>34,108.759</b>
	WAPDA (Power Wing)	8,865.012	12,346.623	7747.874
	WAPDA (water wing)	73.554	87.768	87.768
	TESCO	0.149	0.110	-
	LESCO	597.436	597.436	597.436
	HESCO	619.355	651.227	651.227
	PESCO	406.765	440.771	442.230
	QESCO	676.672	676.672	676.672
	GEPSCO	345.792	345.792	345.792
	IESCO	724.614	800.405	800.727
	FESCO	369.205	375.607	375.607
	MEPCO	865.533	875.186	875.186
	NTDC	6,831.305	7,800.726	8,519.299
	NJHP	11,714.544	12,894.161	12,963.245
	PEPCO	25.696	25.696	25.696
	<b>Total - Power Sector (A)</b>	<b>34,012.700</b>	<b>39,810.263</b>	<b>36,488.009</b>
<b>E024</b>	<b>Autonomous Bodies/Corporations</b>			
	<b>Foreign Loans</b>	<b>5,128.739</b>	<b>5,163.061</b>	<b>5,143.073</b>
	Pakistan Railways	1,687.172	1,721.494	1701.506
	Karachi Fish Harbour Authority	26.584	26.584	26.584
	PPAF	1,279.596	1,279.596	1,279.596
	ERRA	2,103.531	2,103.531	2,103.531
	TEVTA	31.856	31.856	31.856
	<b>Total Autonomous Bodies/Corporations (B)</b>	<b>5,128.739</b>	<b>5,163.061</b>	<b>5,143.073</b>
	<b>Total Non-Financial Institutions (A+B)</b>	<b>39,141.439</b>	<b>44,973.324</b>	<b>41,631.082</b>

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>E025</b>	<b>Government Servants</b>			
	Cantt/Garrison Educational Institutions	51.944	50.200	52.710
	Office of the AGPR, Isb	3,036.954	3,262.790	3,589.069
	AGPR sub-office, Lahore	800.076	1,304.108	1,564.930
	AGPR sub-office, Karachi	740.774	814.849	896.334
	AGPR sub-office, Peshawar	374.690	1,190.851	1,309.936
	AGPR sub-office, Quetta	150.340	205.060	215.445
	AGPR sub-office, Gilgit	270.650	148.433	163.276
	Defence	556.226	636.404	642.404
	Pakistan Post Office Deptt	280.400	293.000	299.600
	Pak PWD	59.600	73.029	73.500
	Pakistan Mint	17.560	20.790	23.700
	CAO (Ministry of Foreign Affairs)	87.784	120.671	139.778
	Central Dte of National Savings	124.382	136.639	137.554
	Geological Survey of Pakistan	35.984	25.885	28.450
	Special Communication Organization	14.659	11.424	12.567
	National Tariff Commission	8.137	9.066	9.973
	NDMA	0.412	-	0.412
	<b>Total Government Servants</b>	<b>6,610.572</b>	<b>8,303.199</b>	<b>9,159.638</b>
<b>E027</b>	<b>Others</b>			
	Cash Loans- Govt of AJK	4,099.281	4,621.782	5,123.977
	Foreign Loans-Govt of AJK	1,340.934	1,848.405	2,279.407
	Foreign Loans-Govt of Gilgit,-Baltistan	-	-	2.613
	Cash Loans - PNRA	11.010	9.435	11.322
	<b>Total - Others</b>	<b>5,451.225</b>	<b>6,479.622</b>	<b>7,417.319</b>
	<b>Total Recovery Cash Loans (PSEs)</b>	<b>26,306.892</b>	<b>28,515.461</b>	<b>32,197.211</b>
	<b>Total Recovery Foreign Loans (PSEs )</b>	<b>77,842.734</b>	<b>78,531.576</b>	<b>76,945.173</b>
	<b>Total (PSEs )</b>	<b>104,149.626</b>	<b>107,047.037</b>	<b>109,142.384</b>
	<b>Estimated Shortfall</b>	-	60,000.000	51,000.000
	<b>Total PSEs Net</b>	<b>104,149.626</b>	<b>47,047.037</b>	<b>58,142.384</b>
	<b>Total Provinces</b>	<b>79,370.744</b>	<b>84,666.062</b>	<b>89,024.878</b>
	<b>Grand Total - Recovery of Loans</b>	<b>183,520.370</b>	<b>191,713.099</b>	<b>198,167.262</b>



## **6.4 Public Debt**

6.4.1 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 and short term debt.

### **6.4.2 Domestic Debt (Permanent)**

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

#### **6.4.2.1 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. 200,000.0 million for the year 2019-20, the revised estimates for the year 2019-20 have been worked out at Rs. 410,136.8 million whereas the budget estimates for the year 2020-21 are estimated at Rs. 400,000.0 million.

#### **6.4.2.2 Government Ijara Sukuk Bonds:**

The Government of Pakistan Ijara Sukuk Bonds 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 budget estimates of Rs. 8,993.0 for the year 2019-20, the revised estimates have been projected at Rs. 228,993.0 million. The budget estimates for the year 2020-21 are estimated at Rs. 450,000.0 million.

#### **6.4.2.3 National Prize Bonds:**

These are of bearer type non-terminable securities freely en-cashable and transferable by delivery. These are issued in denomination of Rs.100/-, Rs.200/-, Rs.750/-, Rs.1500/-, Rs.7500/-, Rs.15000/-, Rs.25,000/- and Rs.40,000/-. Against the budgeted receipt of Rs. 70,747.370 million for the year 2019-20, the revised estimates for the year 2019-20 are kept at Rs. 181,967.060 million. Budget estimates for the year 2020-21 are estimated at Rs. 85,181.050 million.

#### **6.4.2.4 Premium Prize Bonds (Registered):**

Premium Prize Bonds (Registered) of Rs.40,000/- denomination have been launched. These bonds offer biannual profit payment on completed period of six months as well as prize money on quarterly draws. The bond shall be registered against the name of purchaser. The ownership of bond is transferable from one person to another person through an application on prescribed format.

6.4.2.5 The net receipts from domestic debt (permanent) during the year 2019-2020 (budget & revised) and 2020-2021 (budget) are estimated as under:-

**TABLE 41**  
**Public Debt**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
E031	<b>Domestic Debt (Permanent)</b>	<b>282,740.370</b>	<b>472,553.150</b>	<b>779,819.000</b>
	Pakistan Investment Bonds (Non-Bank)	200,000.000	410,136.800	400,000.000
	Government Ijara Sukuk Bonds	8,993.000	228,993.000	450,000.000
	National Prize Bonds	70,747.370	(181,967.000)	(85,181.000)
	Premium Prize Bonds (Registered)	3,000.000	15,390.350	15,000.000

#### 6.4.3 Foreign Currency Debt (Permanent)

It includes the following securities:

##### 6.4.3.1 Foreign Exchange Bearer Certificates (FEBCs):

Budget estimates in case of repayment of Foreign Exchange Bearer Certificates for financial year 2019-20 were estimated at Rs. -5.000 million. Revised estimates for the year 2019-20 are projected at Rs. -0.500 million whereas budget estimates for financial year 2020-21 have been kept at Rs. -5.000 million.

##### 6.4.3.2 Foreign Currency Bearer Certificates (FCBCs):

Repayment on account of Foreign Currency Bearer Certificates in the budget estimates for the year 2019-20 was estimated at Rs. -5.000 million. Revised estimates for the year 2019-20 and budget estimates for the year 2020-21 on account of repayment have been kept at Rs. -1.000 million and Rs.-5.000 million respectively. 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.

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

This security was introduced in 1991 and discontinued on 17th November, 1994. Against the repayment of Rs.-3.000 million in the budget estimate 2019-20, revised estimates 2019-20 and budget estimates for the year 2020-21 have been kept at Rs. -0.100 million and Rs. - 3.000 million respectively.

##### 6.4.3.4 Special US Dollar Bonds:

These bonds were issued under Special US Dollar Bonds Rules, 1998 to the Foreign Currency Accounts holders or Foreign Currency Certificates holders with scheduled banks or non-bank financial institutions out of their foreign currency deposits. Against the repayment of Rs. -50.000 million provided in budget estimates 2019-20, the repayment on account of these bonds in revised estimates 2019-20 has been estimated at Rs.-40.000 million. Budget estimates for the year 2020-21 are estimated at Rs.-50.000 million. The estimates of foreign currency debt (permanent) are tabulated below:-

**TABLE 42**  
**Public Debt (Foreign Currency Permanent)**

		(Rs. In Million)		
Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
E031	<b>Foreign Currency Debt (Permanent)</b>	<b>(63.000)</b>	<b>(41.600)</b>	<b>(63.000)</b>
	Foreign Exchange Bearer Certificates (FEBCs)	(5.000)	(0.500)	(5.000)
	Foreign Currency Bearer Certificates (FCBCs)	(5.000)	(1.000)	(5.000)
	US Dollar Bearer Certificates (DBC)	(3.000)	(0.100)	(3.000)
	Special US Dollar Bonds	(50.000)	(40.000)	(50.000)

#### 6.4.4 Floating Debt

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

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

These reflect non-bank borrowing of the Federal Government.

##### 6.4.4.2 Government Bai-Muajjal IjaraSukuk :

Government Bai-Maujjal Sukuk are issued through auction for a maturity period of one year from 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 applicable rate. The estimates of receipts from floating debt during the year 2019-20 (revised) and 2020-21 (budget) are as under:-

**TABLE 43**  
**Floating Debt**

Object Code	Description	(Rs. In Million)		
		2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>E032</b>	<b>Floating Debt</b>			
	<b>A. Market Treasury Bills through Auction (Non-Bank)</b>			
	Receipts	4,484,054.500	1,762,094.700	1,480,120.000
	Repayments	4,184,054.500	1,606,920.000	1,080,120.000
	<b>Net (A)</b>	<b>300,000.000</b>	<b>155,174.700</b>	<b>400,000.000</b>
	<b>B. Govt Bai-Muajjal Ijara Sukuk</b>	0.001	0.001	0.0
	<b>Net Total Floating Debt (A+B)</b>	<b>300,000.001</b>	<b>155,174.701</b>	<b>400,000.000</b>

**Chapter 7: PUBLIC ACCOUNT RECEIPTS**

7.1 Article 78(1) of the Constitution of Islamic Republic of Pakistan provides that all revenues received by the Federal Government, all loans raised by that Government and all moneys received by it in repayment of loan, shall form part of the Federal Consolidated Fund. Besides, Article 78(2) provides that all other moneys received by or on behalf of the Federal Government shall be credited to the Public Account of the Federation. Public Account largely comprises money kept by the Government as a trust, which may be repaid on demand subject to such terms and conditions as prescribed in this regard.

7.2 Public Account Receipts may be categorized as Deferred Liabilities and Deposit Receipts.

**7.3 Deferred Liabilities**

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

**7.3.1 Defence Savings Certificates**

7.3.1.1 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 years maturity. The existing rate on this scheme is 8.54 % p.a. on maturity. 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.

**7.3.2 Special Savings Certificates/Accounts**

Special Savings Certificates (Registered/Accounts) is a three years scheme with profit payable on six monthly basis. They rate of return on Speical Savings Certificats/Accounts has been linked with the yield of Pakistan Invetment Bonds of three years maturity. The existing rate of profit in this scheme is 8.00% per annum for first two fifth profits and 8.80% for the last sixth profit. Withholding tax is deducted from the profit payment. Apart from individuals, institutions may invest their individucals' funds such as pension, gratuity, superannuation, contributory provident funds and trustis etc. in this scheme.

### 7.3.3 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 Savings Certificates has been linked with the yield of Pakistan Investment Bonds of five years maturity. The existing profit on this scheme is 8.28% per annum. The profit in the scheme is subject to withholding tax and the investment is exempt from compulsory deduction of Zakat at source. Apart from individuals, institutions may invest their individuals' funds such as pension, gratuity, superannuation, contributory provident funds and trusts etc. in this scheme. Premature encashment on these certificates carry service charges as under:-

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

### 7.3.4 Mahana Amdani Account

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

### **7.3.5 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 5.75 % 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.

### **7.3.6 Pensioners' Benefit Accounts**

This scheme has been launched with effect from 20-1-2003 to provide incentives to the retired officials of the Federal Government, Provincial Governments, Azad Government of the State of Jammu and Kashmir, Armed Forces, Semi Governments and autonomous bodies and in case of death the pensioner's eligible member of the family. Only one account can be opened in the National Savings Centre with a minimum deposit of rupees ten thousand and in multiple of one thousand with the facility of seven subsequent deposits subject to the maximum limit of five million rupees. It is a ten years scheme and profit is payable on completion of each period of one month reckoned from the date of opening of an account till maturity or encashment whichever is earlier. The existing rate of profit on this scheme is 10.32 % per annum. Premature encashment before completion of one, two, three and four years carries service charges at the rate of 1.00%, 0.75%, 0.50% and 0.25% of principal amount respectively. Profit accrued from this scheme is exempt 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 accounts holders whereas downward revision shall apply to fresh investment only.

### **7.3.7 Bahbood Savings Certificates**

Initially this scheme was introduced exclusively for widows to cater for their needs with monthly profit payment facility. The scheme was further extended to the aged persons 60 years or above. The existing rate of profit on this scheme is 10.32 % per annum. The maximum investment limit in this scheme is five million rupees and ten 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 exempt 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.

### 7.3.8 Shuhada's Family Welfare Account (SFWA):

A new savings scheme namely Shuhada Family Welfare Account (SFWA), for the welfare of eligible family members of Shuhada (martyrs) has been launched on 11th May, 2018. The eligible family members can open the SFWA account in any National Savings Centre across Pakistan after fulfillment of required documentation. Preferential profit in line with the existing welfare product i.e., Bahbood Savings Certificate and Pensioner Benefit Account shall be paid to the investor of SFWA on monthly basis. Current profit rate is 10.32%. Profit shall be exempted from Withholding Tax and compulsory deduction of Zakat.

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

**TABLE 44**  
**Deferred Liabilities**

Object Code	Description	(Rs. In Million)		
		2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>G03</b>	<b>Deferred Liabilities (A+B+C)</b>	<b>278,628.080</b>	<b>430,342.390</b>	<b>227,278.880</b>
	<b>Provident Fund (A)</b>	<b>3,000.000</b>	3,500.000	4,000.000
	<b>Saving/Deposit Acctt/Certificates (B)</b>	<b>271,928.080</b>	<b>427,642.390</b>	<b>225,278.880</b>
	Saving Bank Accounts	12,495.560	2,030.410	2,022.160
	Khas Deposit Accounts	(0.700)	(5.000)	(5.000)
	Mahana Amdani Accounts	(70.000)	(70.000)	(70.000)
	Pensioners' Benefit Accounts	29,555.900	36,551.670	24,043.550
	Defence Saving Certificates	38,890.270	92,946.060	25,916.120
	Bahbood Savings Certificates	84,650.580	93,534.690	42,194.220
	National Deposit Certificates	(1.000)	(0.800)	(1.000)
	Khas Deposit Certificates	(0.700)	(0.700)	(0.700)
	Special Savings Certificates (Registered)	10,762.300	57,894.960	33,554.970
	Special Savings Accounts (Term Deposit)	12,283.300	63,224.200	36,643.720
	Shuhda Welfare Account	98.000	27.000	18.000
	Regular Income Certificates	65,264.570	73,509.900	30,962.84
	Short Term Savings Certificates	1,000.000	8,000.000	3,000.000
	New Savings Schemes	17,000.000	-	27,000.000
	<b>Postal Life Insurance Fund (C)</b>	<b>3,700.000</b>	<b>(800.000)</b>	<b>(2,000.000)</b>

## 7.4 Deposits and Reserves

7.4.1 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.

7.4.2 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.

7.4.3 The reserve funds and deposit accounts in respect of which provision for contributions have been made in the revised estimates for 2019-20 and budget estimates for 2020-21 are tabulated on the following pages.

**TABLE 45**

### Deposits and Reserve Fund

Object Code	Description	(Rs. In Million)		
		2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>G06</b>	<b>FGE BENEVOLENT FUNDS</b>	<b>3,871.494</b>	<b>3,896.964</b>	<b>4,091.812</b>
G06202	Civil	1,395.270	1,267.488	1,330.862
G06203	Defence	2,274.804	2,441.196	2,563.256
G06205	Pakistan Post Office Department	172.494	160.824	168.865
G06206	Pak PWD	7.272	6.936	7.283
G06209	National Saving	13.518	12.348	12.965
G06210	Pakistan Mint	3.276	3.060	3.213
G06211	Forest Department	-	-	-
G06212	Geological Survey of Pakistan	4.860	4.992	5.242
G06214	Pronvicial Govt./Employee B. Fund.	-	0.120	0.126



(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
	<b>GROUP INSURANCE FUNDS</b>	<b>1,097.820</b>	<b>601.836</b>	<b>631.927</b>
G06401	PAK PWD	2.250	2.304	2.419
G06402	Foreign Office	-	-	-
G06404	National Saving	3.384	2.976	3.125
G06405	Pakistan Mint	-	0.144	0.151
G06406	Forest Department	-	6.744	7.081
G06407	Geological Survey of Pakistan	1.908	1.884	1.978
G06408	Provincial Govt Employees B.Fund	-	0.072	0.076
G06409	Civil	407.628	400.728	420.764
G06410	Defence	682.650	186.984	196.333
G06414	Provincial Govt Employees B.Fund	-	-	-
	<b>OTHERS</b>	<b>440,787.850</b>	<b>539,766.881</b>	<b>560,269.663</b>
G06304	Workers Welfare Fund	7,387.236	9,300.444	9765.466
G06308	Staff Welfare Fund Balochistan Police	-	0.024	0.025
G06315	Judicial Officers Welfare Fund.	-	0.756	0.794
G07101	Post Office Renewal Reserve Fund	-	30.060	31.563
G07102	Post Office Welfare Fund	0.252	58.092	60.997
G07104	Fed. Govt. Empl. Group Insur. Fund	10.296	10.980	11.529
G07106	Pakistan Post Office Miscellaneous	173,165.526	179,290.620	188,255.151
G08117	Railways Reserve Fund	39,000.000	45,000.000	40,000.000
G08121	Railways Depreciation. Reserve Fund	6,115.000	4,166.186	4,920.616
G07106	PPO Miscellaneous	-	-	-
G10101	Pak PWD Receipts & Collection Account	294.012	359.976	377.975
G10102	Foreign Office Receipts & Collection Account	7,530.606	2,723.556	2,859.734
G10104	Mint Receipt and Collection Account	52.398	125.976	132.275
G10106	Deposit Works of Survey of Pakistan	121.806	24.816	26.057
G10107	Deposits of Department of Mineral Development	-	0.360	0.378
G10113	Pak PWD Deposits	7,129.206	21,606.096	22,686.401
G10304	Zakat Collection Account	3,808.170	2,089.992	2194.492
G11201	Special Deposit Fund for Army supplies-friendly countries	0.036	-	-
G11215	Revenue Deposits	11,756.016	948.492	995.917
G11216	Civil & Criminal court Deposits	12.996	17.256	18.119
G11217	Personal Deposits	19,433.322	38,725.776	40662.065
G11218	Forest Deposits	-	0.012	0.013
G11220	Deposit in connection with Election	137.106	4.068	4.271
G11224	Deposits Accounts with Defence	3,118.356	3,577.608	3756.488
G11225	Deposits Accounts with AGPR	170.802	275.964	289.762
G11230	Special Remittances Deposits	1,526.202	1,026.876	1078.220

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
G11237	Deposit local bodies to meet Claims of contractors	-	0.432	0.454
G11238	Security deposit of supply cell	-	-	-
G11240	Security Deposits of Cashiers etc.	388.404	294.744	309.481
G11255	Defence Services Security Deposits.	1,956.960	1,968.012	2066.413
G11256	Defence Service Misc. Deposits.	144,729.738	206,706.144	217041.451
G11276	Security deposit of Private Co.	15.030	27.948	29.345
G11278	Contribution to Govt servants Housing Foundation from its members	-	0.900	0.945
G11280	Withholding Tax on Profit from investment in NSC	7,551.468	10,900.908	11445.953
G11281	Deposits on account of fee realized by PNAC	18.324	31.716	33.302
G11290	Security deposit of Firms/Contractors	137.214	30.984	32.533
G12102	P.M's Fund for Welfare & Relief for Kashmir	-	0.492	0.517
G12130	President's Relief Fund for Earthquake Victims 2005	-	0.144	0.151
G12135	PM's Special Fund for victims of Terrorism	-	0.744	0.781
G12140	PM Flood relief Fund 2010	7.344	0.120	0.126
G12150	PM Relief Fund for Thar 2014	2,459.034	3,472.488	3646.112
G12157	PM COVID-19 Pandemic Relief Fund 2020.	-	23.712	24.898
G12205	Pakistan Minorities Welfare Fund	-	-	-
G12206	Special Fund for Welfare & Uplift of Minorities	74.916	44.544	46.771
G12226	Federal Government Artists Welfare Fund	-	13.020	13.671
G12305	Export Development Fund	-	-	-
G12308	Reserve Fund for Exchange Risk on Foreign Loans	414.558	278.676	292.610
G12412	Pakistan Oil Seed Development Fund	155.430	144.516	151.742
G12419	Research & Development Fund	50.760	902.904	948.049
G12421	SCP Diamer Basha and Mohmand Dam Fund	-	23.124	24.280
G12504	Workers Children Education Fund	-	0.528	0.554
G12510	Education Welfare Fund	-	0.012	0.013
G12612	Fund for Urdu Science Board	-	2.520	2.646
G12712	Trust Interest Fund (Charitable Endowment)	-	3.252	3.415
G12713	Income Tax deduction from Salaries	7.254	20.004	21.004
G12714	Income Tax deduction from Contractors/Suppliers	74.952	79.836	83.828

(Rs. In Million)

Object Code	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
G12738	National Fund for Control of Drug Abuse	28.062	33.192	34.852
G12741	Federal Civil Servant's subscription to Services Book Club	15.912	16.836	17.678
G12777	Sales Tax deduction special procedure, 2007	5.760	8.040	8.442
G12783	Universal Service Fund	101.556	3,428.328	3599.744
G13127	Grants and Tech. Assistance from US Government	-	842.820	884.961
G13140	GSP Receipt and Collection Account	25.830	23.460	24.633
G14100	Pakistan Mint	1,800.000	1,077.795	1350.000
<b>TOTAL</b>		<b>445,757.164</b>	<b>544,265.681</b>	<b>564,993.402</b>

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

#### 7.4.4.1 Post Office Renewal Reserve Fund

7.4.4.1.1 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.

#### 7.4.4.2 Railways Depreciation Reserve Fund

7.4.4.2.1 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".

#### **7.4.4.3 Railways Reserve Fund**

7.4.4.3.1 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 remains out of the profit of Railways after payment to general revenues of the contribution fixed under the Convention.

#### **7.4.4.4 Workers Welfare Fund**

7.4.4.4.1 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). All proceeds of the fund will initially be credited into the WWF Trust Fund and money from the fund for incurring expenditure on the defined/prescribed purposes will be withdrawn by submitting a proper sanction of competent authority to AGPR. However, the profit earned either from investment of Bank accounts and income from properties and assets will be credited direct in the WWF bank Account and the entire amount shall be treated as part of the "Workers Welfare Fund" and it shall be subject to audit.

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

7.4.4.5.1 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.

**Chapter 8:****EXTERNAL RESOURCES**

**8.1** External Resources comprise Project Loans and Grants, Programme Loans and Other Loans. A brief description is given as under;

8.1.1 The aim and objective of seeking foreign or external financial assistance may be stated as "promoting economic and social development in the developing countries". It can also be defined as "Administered transfer of resources from a donor country or international agency to the developing countries with a view to encourage economic growth". Foreign Aid can be in the form of money, goods or technical assistance and can be between two (bilateral) or many (multilateral) countries/ institutions.

8.1.2 Foreign aid is also looked for to meet both economy's balance of payments gap and investment gap. That is why project and technical assistance alone are not sufficient. A large part of assistance is required in the shape of food and commodity aid. Project assistance does not simply finance import of capital goods and related services but also meets a part of local currency expenditure. Thus aid flow [project, programme and technical assistance] accompanied by commodity imports may generate counterpart local currency funds that are used to finance development expenditures.

8.1.3 In fact, many developing countries do not have sufficient funds to provide public goods such as education or transportation systems or clean water and waste disposal facilities. Although such goods are essential for development, their economic rate of return is so uncertain that private investors are unwilling to provide them on a large scale. Foreign aid can substitute for private capital in those instances, providing the funds for investment in public goods that the international capital market will not supply to those developing countries or would supply at a high interest rate. In principle foreign aid could be a major source of capital, fueling the growth of development countries and helping to promote economic and human development.

8.1.4 Foreign aid is good only if it is the result of financing investment in appropriate productive capacity. Increasing output allows debt and interest to be repaid. If the aid is used to finance current account deficits/ consumption, then there is no net investment and resultant future economic growth. Aid becomes a burden. It, therefore, entails an effective and efficient external debt management with the objective of ensuring that the government's.

8.1.5 Foreign aid is useful if utilized productively and efficiently otherwise developing countries are likely to face financial crises and are caught up in debt trap. The sequence of events could be as under:-

- a) As debt service liabilities rise without corresponding increase in revenue, the government would need to set aside increasing share of budgetary resources for debt services;
- b) The level of debt service would soon begin to affect routine government expenditure, often requiring additional borrowings to meet rising contractual payment obligations;

- c) The country would slowly slide into debt trap. More and more borrowings would be required to service the accumulated debt, creating a vicious circle; and
- d) The rising debt service obligations eventually lead to default i.e. the inability to honour principal and interest payments commitments.
- e) The default is generally followed by prolonged negotiations with the creditors individually or collectively [Paris Club/ London Club], leading to rescheduling/ restructuring/ write off the external debt. The relief programs generally include reform conditions to redeem government finances and put the economic back on the track.

## **8.2 Project Loans and Grants**

8.2.1 Project loans and grants are received from specialized international financial institutions and friendly countries with specific purpose falling under the following broad categories;

### **8.2.2 Project Loans & Grants for Public Sector Development Programme (PSDP)**

8.2.2.3 Project loans and grants for PSDP are received for various projects being executed by Federal Government, Provincial Government and various Autonomous bodies such as WAPDA, PEPCO, NHA etc.

### **8.2.3 Project Loans and Grants for Other than PSDP Projects**

8.2.3.1 There are certain projects kept out of PSDP, which are executed by Federal Government, Provincial Government and Autonomous bodies by receiving project loans and grants.

## **8.3 Programme Loans**

8.3.1 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.

## **8.4 Other Loans**

Other loans comprise 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.

**8.5** The estimates of external resources for the year 2018-19(budget and revised) and 2019-20 (budget) are tabulated on the following page.

**TABLE 46**  
**External Resources**

Description	(Rs. In Million)		
	2019-20 Budget	2019-20 Revised	2020-21 Budget
<b>(1) PSDP Projects (A+B)</b>	<b>239,120.844</b>	<b>247,233.739</b>	<b>222,959.850</b>
<b>A. Project Loans</b>	<b>211,170.821</b>	<b>214,743.833</b>	<b>202,292.480</b>
Federal Projects	16,117.895	17,911.732	13273.83
Autonomous Bodies	102,754.308	125,223.853	53548
Provinces	92,298.618	71,608.248	135470.65
<b>B. Project Grants</b>	<b>27,950.023</b>	<b>32,489.906</b>	<b>20,667.370</b>
Federal Projects	6,130.368	7,254.114	4811.495
Autonomous Bodies	1,676.908	6,119.880	842
Provinces	20,142.747	19,115.912	15013.875
<b>(2) Projects (Outside Projects)</b>	<b>13,796.003</b>	<b>59,227.610</b>	<b>44,751.000</b>
<b>A. Project Loans</b>	<b>13,250.000</b>	<b>52,295.930</b>	<b>42,411.060</b>
Federal Projects	13,250.000	51,510.800	42411.06
Autonomous Bodies	-	781.600	0
Provinces	-	3.530	0
<b>B. Project Grants</b>	<b>546.003</b>	<b>6,931.680</b>	<b>2,339.940</b>
Federal Projects	546.003	5,083.080	1803.69
Autonomous Bodies	-	1,692.600	0
Provinces		156.000	536.25
<b>(3) Programme Loans</b>	<b>276,957.740</b>	<b>620,239.666</b>	<b>503,566.625</b>
<b>(4) Other Loans</b>	<b>2,502,450.000</b>	<b>1,346,218.600</b>	<b>1,435,780.500</b>
<b>Total External Resources (1+2+3+4)</b>	<b>3,032,324.587</b>	<b>2,272,919.615</b>	<b>2,207,057.975</b>

**TABLE 47  
PROGRAMME LOANS**

(Rs. In Million)				
S.No.	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
1	ADB	171,819.000	366,982.200	154,275.000
2	AIIB	-	-	82,500.000
2	IBRD	15,100.000	16,893.240	22770
3	IDA	90,038.740	223,898.266	244021.625
	KOREA	-	12,465.960	0
<b>Total- Programme Loans</b>		<b>276,957.740</b>	<b>620,239.666</b>	<b>503,566.625</b>

**TABLE 48  
OTHER LOANS**

(Rs. In Million)				
S.No.	Description	2019-20 Budget	2019-20 Revised	2020-21 Budget
1	IDB (Short-term)	165,000.000	127,116.600	165,000.000
2	Saudia Arabia (Short term)	480,000.000	138,840.000	165,000.000
3	Euro Bond/ International Sukuk	450,000.000	-	247,500.000
4	Commercial Banks	300,000.000	623,610.000	647,212.500
5	China Safe Deposits	-	-	-
6	Eco. Trade Bank	-	-	-
7	Budgetary Support from Friendly Countries	750,000.000	-	-
8	IMF Loan for Budgetary Support	357,450.000	456,652.000	211,068.000
<b>Total- Other Loans</b>		<b>2,502,450.000</b>	<b>1,346,218.600</b>	<b>1,435,780.500</b>









**Chapter 9:****PRIVATIZATION PROCEEDS**

9.1 Privatization in Pakistan is an important economic reform policy tool, for generating growth and to expunge structural inefficiencies, by removing false barriers and opening up the economy to competition. The Privatization program is part of the economic and structural reforms agenda of the Government of Pakistan that along with deregulation and good governance, seeks to enhance the growth and productivity of Pakistan's economy, by harnessing the private sector as its engine of growth. It takes an integrated approach, towards enhancing the private sector's role and goes beyond the transfer of public assets to the private sector, by identifying the linkages and role of regulation, good governance, market competition in fostering conditions that provide incentives for the private sector to invest in providing goods and services efficiently.

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

9.3 Section 16(2) of the said Ordinance envisages that the privatization proceeds shall be utilized by the Federal Government as follows:-

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

9.4 The estimates of privatization proceeds are given below:

**TABLE 52**  
**Privatization Proceeds**

Description	(Rs. In Million)		
	2019-20 Budget	2019-20 Revised	2020-21 Budget
Privatization Proceeds	150,000.000	150,000.000	100,000.000

\*subject to successful process