

**FISCAL DEVELOPMENT**

(Rs. in billion)

**HIGHLIGHTS****CONSOLIDATED BUDGETARY POSITION****2011-12****2012-13**

<b>I. Total Expenditure</b>	<b>3,936.2</b>	<b>4,816.3</b>
i) Current	3,122.5	3,660.4
ii) Development	731.9	777.1
iii) Net Lending to PSEs etc	12.0	362.8
<b>II. Total Revenues</b>	<b>2,566.5</b>	<b>2,982.4</b>
i) Tax Revenues	2,052.9	2,199.2
ii) Non-Tax revenues	513.6	783.2
<b>III. Overall deficit</b>	<b>1,369.7</b>	<b>1,833.9</b>
<b>IV. Financing</b>	<b>1,369.7</b>	<b>1,833.9</b>
i) External Borrowing	128.7	-1.7
ii) Domestic	1,241.1	1,835.5
a) Non-Banking Borrowing	529.4	378.0
b) Bank Borrowing	711.7	1,457.5
<b>V. Overall Deficit as % of GDP</b>	<b>6.8</b>	<b>8.0</b>

Source: Budget Wing, Finance Division

TABLE 4.1

## FEDERAL GOVERNMENT OVERALL BUDGETARY POSITION

(Rs. in million)		
Fiscal Year / Item	2011-12	2012-13
<b>A. REVENUE</b>		
<b><u>FBR Tax Revenue</u></b> (1 +2)*	1,881,480	1,936,143
1. <b><u>Direct Taxes</u></b>	<b><u>731,941</u></b>	<b><u>735,758</u></b>
2. <b><u>Indirect Taxes</u></b>	1,149,539	1,200,385
i. Customs	218,215	239,608
ii. Sales Tax	809,310	841,324
iii. Federal Excise	122,014	119,453
Others	64,217	112,366
<b><u>Non-Tax Revenue</u></b>	<b><u>478,475</u></b>	<b><u>726,758</u></b>
Gross Revenue Receipts*	<b><u>2,424,172</u></b>	<b><u>2,775,267</u></b>
<b>B. EXPENDITURE</b>		
<b><u>Current Expenditure</u></b>	<b><u>2,209,324</u></b>	<b><u>2,625,014</u></b>
i. Defence	507,159	540,595
ii. Interest	889,044	990,967
iii. Grants	278,866	292,489
vi. Others**	534,255	800,963
<b><u>Development Expenditure and Net Lending</u></b>	<b><u>402,722</u></b>	<b><u>816,002</u></b>
<b>Total Expenditure</b>	<b><u>2,612,046</u></b>	<b><u>3,441,016</u></b>

Source: Budget Wing, Finance Division, Islamabad

\* includes petroleum levy, Airport tax and other taxes (ICT)

\*\* : Includes other categories not shown here

TABLE 4.2

## SUMMARY OF PUBLIC FINANCE (CONSOLIDATED FEDERAL AND PROVINCIAL GOVERNMENTS)

Fiscal Year/ Items	(Rs. in million)								% Change 2012-13 / 2011-12
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	
Total Revenues (i+ii)	1,076,600	1,297,957	1,499,380	1,850,901	2,078,165	2,252,855	2,566,514	2,982,436	16.2
Federal	992,200	1,215,730	1,380,599	1,721,028	1,955,457	2,125,975	2,411,297	2,760,436	14.5
Provincial	84,400	82,227	118,781	129,873	122,708	126,880	155,217	222,000	43.0
i) Tax Revenues	803,700	889,685	1,050,696	1,204,670	1,472,821	1,699,334	2,052,886	2,199,232	7.1
Federal	766,900	852,866	1,009,902	1,158,586	1,418,007	1,634,775	1,945,697	2,048,509	5.3
Provincial	36,800	36,819	40,794	46,084	54,814	64,559	107,189	150,723	40.6
ii) Non-Tax Revenues	272,900	408,272	448,684	646,231	605,344	553,521	513,628	783,204	52.5
Federal	225,300	362,864	370,697	562,442	537,450	491,200	465,600	711,927	52.9
Provincial	47,600	45,408	77,987	83,789	67,894	62,321	48,028	71,277	48.4
Total Expenditures (a+b+c+d)	1,401,900	1,799,968	2,276,549	2,531,308	3,007,226	3,447,263	3,936,218	4,816,300	22.4
a) Current	1,034,700	1,375,345	1,853,147	2,041,570	2,386,042	2,900,784	3,122,502	3,660,434	17.2
Federal	789,100	973,130	1,416,015	1,495,873	1,758,826	2,088,124	2,154,732	2,565,222	19.1
Provincial	245,600	402,215	437,132	545,697	627,216	812,660	967,770	1,095,212	13.2
b) Development	365,100	433,658	451,896	480,282	613,441	506,103	731,868	777,096	6.2
c) Net Lending to PSE's	2,100	-9,035	-28,494	6,911	39,383	7,904	12,019	362,783	
d) Statistical Discrepancy	-86,307	-124,510	0	2,545	-31,640	32,472	69,829	15,987	-77.1
Overall Deficit	-325,300	-377,501	-777,169	-680,407	-929,061	1,194,409	1,369,704	1,833,864	33.9
Financing (net)	325,200	377,501	777,169	680,407	929,061	1,194,409	1,369,704	1,833,864	33.9
External (net)	148,900	147,150	151,311	149,651	188,889	107,705	128,650	-1,676	-101.3
Domestic (i+ii+iii)	176,300	230,351	625,858	529,466	740,172	1,086,704	1,241,054	1,835,540	47.9
i) Non-Bank	8,100	56,905	104,302	223,846	435,610	471,575	529,384	378,040	-28.6
ii) Bank	70,900	101,982	519,906	305,620	304,562	615,129	711,670	1,457,500	104.8
iii) Privatization Proceeds	97,300	71,464	1,650	1,290	0	0	0	0	
Memorandum Item									
GDP (mp) in Rs. Billion	8,216	9,240	10,638	13,200	14,867	18,285	20,091	22,909	14.0
	(As Percent of GDP at Market Price)*								
Total Revenue	13.1	14.0	14.1	14.0	14.0	12.3	12.8	13.0	
Tax Revenue	9.8	9.6	9.9	9.1	9.9	9.3	10.2	9.6	
Non-Tax Revenue	3.3	4.4	4.2	4.9	4.1	3.0	2.6	3.4	
Expenditure	17.1	19.5	21.4	19.2	20.2	18.9	19.6	21.0	
Current	12.6	14.9	17.4	15.5	16.0	15.9	15.5	16.0	
Development	4.5	4.6	4.0	3.7	4.4	2.8	3.7	5.0	
Overall Deficit	4.0	4.1	7.3	5.2	6.2	6.5	6.8	8.0	

\*: Due to change of base of GDP to 2005-06 prior years are not comparable

Source: Budget Wing, Finance Division, Islamabad

TABLE 4.3

## CONSOLIDATED FEDERAL AND PROVINCIAL GOVERNMENT REVENUES

	(Rs. in million)							
Fiscal Year/ Item	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Total Revenue (I+II)	1,076,600	1,297,957	1,499,381	1,850,901	2,078,165	2,252,854	2,566,514	2,982,436
Federal	992,200	1,215,730	1,380,600	1,721,028	1,955,457	2,125,975	2,411,297	2,760,436
Provincial	84,400	82,227	11,878	129,873	122,708	126,879	155,217	222,000
I. Tax Revenues (A+B)	803,700	889,685	1,050,696	1,204,670	1,472,821	1,699,334	2,052,886	2,199,232
Federal	766,900	852,866	1,009,902	1,158,586	1,418,007	1,634,775	1,945,697	2,048,509
Provincial	36,800	36,819	40,794	46,084	54,814	64,559	107,189	150,723
A. Direct Taxes (1+2)	224,147	337,639	391,350	444,875	534,368	598,514	739,775	742,488
1 Federal	215,000	334,168	387,563	440,271	528,649	594,689	731,941	735,758
2 Provincial	9,147	3,471	3,787	4,604	5,719	3,825	7,834	6,730
B. Indirect Taxes								
(3+4+5+6+7)	579,553	552,046	659,346	759,796	938,453	1,100,820	1,313,111	1,456,744
3. Excise Duty	58,702	74,026	86,549	119,517	125,368	141,600	126,209	124,349
Federal	55,000	71,575	83,594	116,055	121,182	137,207	122,014	119,453
Provincial	3,702	2,451	2,955	3,462	4,186	4,393	4,195	4,896
4. Sales Tax*	294,600	309,228	385,497	452,294	516,102	632,824	809,310	841,324
5. Taxes on Interna-								
tional Trade	138,200	132,200	150,545	148,382	161,489	185,437	218,215	239,608
6. Surcharges*	50,800	64,546	35,178	126,026	114,650	113,103	83,329	141,837
6.1 Gas	26,300	34,888	20,708	14,015	25,908	30,358	22,960	32,171
6.2 Petroleum	24,500	29,658	14,470	112,011	88,742	82,745	60,369	109,666
7. Other Taxes **	88,051	36,592	36,755	39,603	46,752	58,214	99,008	141,797
7.1 Stamp Duties	10,211	10,268	11,123	11,290	11,693	14,007	16,527	18,306
7.2 Motor Vehicle Taxes	7,107	7,719	4,975	7,534	10,222	10,507	11,140	13,975
7.3 Foreign Travel Tax*	3,593	3,681	356	0	0	0	0	0
7.4 Others	67,140	14,924	20,301	20,779	24,837	33,700	71,341	109,516
II. Non-Tax Revenues	272,900	408,272	448,685	646,231	605,344	553,520	513,628	783,204
Federal	225,300	362,864	370,698	562,442	537,450	491,200	465,600	711,927
Provincial	47,600	45,408	77,987	83,789	67,894	62,320	48,028	71,277

\* : Revenues under these heads are exclusively Federal

\*\* : Mainly includes Provincial Revenues

TABLE 4.4

## CONSOLIDATED FEDERAL AND PROVINCIAL GOVERNMENT EXPENDITURES

(Rs. in million)							
Fiscal Year/ Item	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 2012-13
Current Expenditure	1,034,700	1,375,345	1,853,147	2,041,570	2,386,042	2,900,784	3,122,502 3,660,434
Federal	789,100	973,130	1,416,015	1,495,873	1,758,826	2,088,124	2,154,732 2,565,222
Provincial	245,600	402,215	437,132	545,697	627,216	812,660	967,770 1,095,212
Defence	241,063	249,858	277,300	329,902	375,019	450,615	507,159 540,595
Interest	260,021	386,916	509,574	656,259	661,270	716,603	901,919 1,005,798
Federal	237,119	368,797	489,681	637,790	642,269	698,095	889,044 990,967
Provincial	22,902	18,119	19,893	18,469	19,001	18,508	12,875 14,831
Current Subsidies	101,238	76,039	423,685	225,610	227,000	260,600	166,976 357,991
Development Expenditure	365,100	433,658	451,896	480,282	613,441	506,103	731,868 777,096
Net Lending to PSEs	2,100	-9,035	-28,494	6,911	39,383	7,904	12,019 362,783
Statistical Discrepancy	-86307	-124510	0	2,545	-31,640	32,472	69,829 15,987
Total Expenditure	1,401,900	1,799,968	2,276,549	2,531,308	3,007,226	3,447,263	3,936,218 4,816,300
<b>Memorandum Items:</b>	<b>(Percent Growth over preceding period)</b>						
Current Expenditure	19.7	32.9	34.7	10.2	16.9	21.6	7.6 17.2
Defence	13.9	3.6	11.0	19.0	13.7	20.2	12.5 6.6
Interest	10.8	48.8	31.7	28.8	0.8	8.4	25.9 11.5
Current Subsidies	25.1	37.9	63.5	-46.8	0.6	14.8	-35.9 114.4
Development Expenditure	60.3	18.8	4.2	6.3	27.7	-17.5	44.6 6.2
Total Expenditure	25.5	28.4	26.5	11.2	18.8	14.6	14.2 22.4
	<b>As % of Total Expenditure</b>						
Current Expenditure	73.8	76.4	81.4	80.7	79.3	84.1	79.3 76.0
Defence	17.2	13.9	12.2	13.0	12.5	13.1	12.9 11.2
Interest	18.5	21.5	22.4	25.9	22.0	20.8	22.9 20.9
Current Subsidies	7.2	4.2	18.6	8.9	7.5	7.6	4.2 7.4
Development Expenditure*	26.2	23.6	18.6	19.2	21.7	14.9	18.9 23.7
Total Expenditure	100.0	100.0	100.0	100.0	100.0	100.0	100.0 100.0

Source: Budget Wing, Finance Division

\* : Include Net Lending

TABLE 4.5

## DEBT SERVICING

(Rs. in million)								
Fiscal Year / Item	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
A. Interest Payments	260,021	386,916	509,574	656,259	661,270	716,603	901,919	1,005,798
A.1 Federal	237,119	368,797	489,681	637,790	642,269	698,095	889,044	990,967
Interest on Domestic Debt	195,006	318,939	430,189	558,729	578,287	629,709	821,115	920,353
Interest on Foreign Debt	42,113	49,858	59,492	79,061	63,982	68,386	67,929	70,614
A.2 Provincial	22,902	18,119	19,893	18,469	19,001	18,508	12,875	14,831
B. Repayment/Amortization of Foreign Debt	81,394	69,615	68,662	224,576	196,811	157,945	135,286	217,872
C. Total Debt Servicing (A+B)	341,415	456,531	578,236	880,835	858,081	874,548	1,037,205	1,223,670
MEMORANDUM ITEMS	(As Percent of GDP)							
Interest on Domestic Debt	2.4	3.5	4.0	4.2	3.9	3.4	4.1	4.0
Interest on Foreign Debt	0.5	0.5	0.6	0.6	0.4	0.4	0.3	0.3
Repayment/Amortization of Foreign Debt	1.0	0.8	0.6	1.7	1.3	0.9	0.7	1.0
Total Debt Servicing	4.2	4.9	5.4	6.7	5.8	4.8	5.2	5.3

Source: Budget Wing, Finance Division