(34th Session)

#### NATIONAL ASSEMBLY SECRETARIAT

#### "QUESTIONS FOR ORAL ANSWERS AND THEIR REPLIES"

to be asked at a sitting of the National Assembly to be held on

## Monday, the 1st August, 2016

#### 87. \*Ms. Munaza Hassan:

(Deferred during 28th Session)

Will the Minister for interior and Narcotics Control be pleased to state whether it is a fact that the cross border smuggling of various goods provides a channel to anti Pakistan elements and to shift weapons for terrorism in Pakistan; if so, the steps taken by the Government to stop the said activities?

Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan): The Civil Armed Forces under the Ministry of Interior are guarding border areas comprising 7439 Kilometers which includes Eastern, Western and Coastal Areas of Pakistan. Despite stringent efforts to seal the borders to minimize smuggling of the illegal crossings, there are numerous rugged lerrains which can be used by the culprits / anti-state elements / illegal crossers. Further, the Civil Armed Forces are facing deficiency of manpower due to which a wide gap occurs which also help these culprits to continue their illegal activities. Despite, meager resources available with them, the Civil Armed Forces have achieved many successes to deal with the smugglers / culprits / anti-state elements / illegal crossers. The state of last three years achievements of Civil Armed Forces in various field are as under:—

Name of CAFs	Hashish (Kg)	Heroin (Kg)	Opium (Kg)	Liquor/Bear (Btls/Tins)
FC (KP)	96913	282	1119	_
FC(B)	70,708	3,711	19,350	4,449
PR(P)	442.068	89.360	58.540	4958 btls &
				2600 Litre
PR(S)	3808	104	11.2	45799
PCG	16967.156	209.75	2525.3	51984

Sufficient measures have been taken by CAFs to overcome the challenge of smuggling of illegal weapons, narcotics and other contraband items, details may kindly be seen at **Annex-I**.

#### Annex-I

# MEASURES TAKEN BY CIVIL ARMED FORCES TO COMBAT THE ANTI-SMUGGLING

## Frontier Corps (KP)

- a. Strict checking at all border crossing points to check any smuggling of weapons/goods.
- b. In order to deny smuggling *via* unauthorized areas, a force of 39x wings and 19x infantry battalions has been deployed all along the international boarder. Moreover, 226x border posts have been established to seal off international border.
- c. To further augment anit smuggling efforts, 942x internal security posts have also been established in rear areas.

#### Frontier Corps (Balochistan)

- a. Frequent combat patrolling along the border.
- b. Intelligence based operations against suspected criminals/smugglers.
- c. Vehicular / foot patrolling at post level by the post commanders.
- d. Laying of ambushes on unfrequented routes.
- e. Strict checking at vehicles is being carried out to ensure that no narcotics / weapons smuggling takes placed.

# **Pakistan Coast Guards**

- a. Manning of over 78 posts along entire coast line.
- b. Mobile / foot partrols in between posts to cover up vital gaps.

- c. Based on credible intelligence tip off, carried out search operations/ establishing additional occasional road checks along Coastal and RCD Highway in its area of responsibility.
- d. Deployment of intelligence tentacles for information gathering.
- e. Construction of observation towers along the coast line.
- f. Joint operation with Federal Investigation Agency for anti human trafficking.
- g. Joint operation with Pakistan Customs (when requested by concerned and competent custom authorities).
- h. Cooperation / intelligence sharing with FIA, Pakistan Customs and Anti Narcotics Force.

## Pakistan Rangers (Punjab)

Force is putting best by lying nakas, patrolling and manning of 518 border out posts rounds the clock all along the eatern border in Punjab Province to combat smuggling and to apprehend illegal border crossing / anti state elements. Responsibility of checking of different items being imported / exported and smuggled through entry point of Wagha / Attari as well as through Samjhota Express train rest with Customs authorities. However, no worthwhile smuggling is reported through these routes so far. More so, since erection of fence all along the border being guarded by Pakistan Rangers (Punjab), the ratio of smuggling is very less due to effective check by establishing Naka's patrolling duty and observation posts in front at gates between the enemy fence.

## Pakistan Rangers (Sindh)

- a. 10x Wings have been deployed along the border; which undertake continuous monitoring along their restive area of reasonability and border posts are being manned round the clock.
- b. The troops on border also carry out patrolling along the border on daily basis to prevent any illegal move and a close watch on activities across the border.

- c. Established checks posts along all the main routes leading to border area to prevent any illegal move and a special team of the force monitors the move of passengers moving by Thar express.
- d. To improve the surveillance / control mechanism along the border surveillance cameras installation have been planned, which would add to determing the illegal boarder crossings.

#### 97. \*Ms. Shamas Un Nisa:

(Deferred during 28th Session)

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- *(a) the total number of Afghans being entered in Pakistan daily at present; and*
- (b) whether there is any mechanism to check their activities; if so, the details thereof?

Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan): (a) On the average, following no. of Afghans (possessing valid travel documents) per day voluntarily visit FIA Immigration counters for their immigration clearance:

## **Torkham Border**

Approx. 800 Afghans

#### **Chaman Border**

Approx. 30-40 Afghans

(b) It does not pertain to FIA, as local Police is responsible for monitoring the activities of Afghan nationals who enter Pakistan, through the above-mentioned borders.

#### 224. \*Dr. Fozia Hameed:

(Deferred during 28th Session)

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the total number of syllabus of Madaris has been reviewed by the Government during the last two years; and
- (b) the names of Madaris whose registration has been cancelled during the tenure of the present Government alongwith the reasons thereof?

Reply not received.

## 59. **\*Sheikh Salahuddin:**

(Deferred during 31st Session)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the steps being taken by the Government to reduce dependence upon foreign loans, grants and increase financial resources for self-sufficiency?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): The Government is making significant progress for self-sufficiency. The present Government inherited fiscal deficit at 8.3% of GDP in 2012-13. However, through prudent spending and avoiding unnecessary expenses, fiscal deficit was brought down to 5.3% of GDP in financial year 2014-15. Fiscal deficit would further be reduced to 4.6% of GDP during the year 2015-16 (Revised Estimates).

Further total Revenues have been increased to 15.1% of GDP in financial year 2015-16 against 14.4% of GDP in financial year 2014-15. Government is also improving tax collection system, broadening tax base, strengthening tax audit and simplifying tax rules.

43. **\*Ms. Aisha Syed:** 

(Deferred during 32nd Session)

*Will the Minister for interior and Narcotics Control be pleased to state:* 

- (a) the location-wise total number of institutions established for the rehabilitation of drugs addicts in the country during the tenure of the present Government; and
- *(b) the year-wise total number of individuals benefitted therefrom during the said period?*

Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan): (a) The institutions established for the rehabilitation of drugs addicts in the country is attached at Annex-A.

(b) The year-wise total number of individuals benefitted from the rehabilitation centres are attached at **Annex-B**.

(Annexures have been placed in the National Assembly Library)

## 91. \*Dr. Fozia Hameed:

(Deferred during 32nd Session)

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) whether it is a fact that the review/appraisal of the national economy is the core business of the Ministry; and
- (b) whether it is also a fact that the present Government has conducted a study for review and appraisal of international and regional economic trends and their impacts on the national economy; if so, the findings thereof ?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) As per Rules of Business of 1973, review/appraisal of the national economy is the core business of Ministry of Planning, Development and Reform.

However, Finance Division presents to ECC of the Cabinet on regular basis the performance of key economic indicators and also publishes Pakistan Economic Survey for each outgoing fiscal year which covers review progress of all major sectors of the economy.

(b) No. There is no such study conducted by Finance Division.

#### 94. \*Ms. Munaza Hassan:

(Deferred during 32nd Session)

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) whether it is a fact that volume of black economy in the country is increasing rapidly; if so, the year-wise percentage during the last six years thereof; and
- (b) the steps being taken by the Government to check it?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) It is not possible to measure the volume of black economy and to determine whether it is increasing or decreasing in percentage terms. Various measures, however, are taken to Check the black economy.

(b) The Federal Government has taken many steps to check the black economy.

## **Income Tax:**

The Federal Government has introduced several legislations in this regard. The sources of investment can be probed by the concerned Income Tax Authorities under section 111 of the Income Tax Ordinance, 2001.

For the last two years, the FBR has introduced differential tax rates for filers & non-filers to encourage people to file their Income Tax Returns on regular basis which is a major step towards documentation of economy.

The Broadening of Tax Base is another area of significance and there is a lot of focus on this aspect so that potential taxpayers can be detected and brought to tax net.

Tax evasion is an offence for which different penalties prosecution are prescribed in the Income Tax Ordinance, 2001.

Penalty of Rs. 25,000/- or 100% of the amount of tax shortfall (whichever is higher) applies for making false or is leading statements, inaccurate particulars of income, and concealment.

Further, tax evasion is an offence punishable on conviction with a fine or imprisonment for a term not exceeding one year, or both under section 191 of the Ordinance.

Section 192A, provides for prosecution for concealment of income. Such an offence will attract imprisonment upto 2 years, or five, or both.

#### Sales Tax and Federal Excise:

In order to promote formal economy and to check black economy, changes have been introduced in section 7 of the Sales Tax Act, 1990 and section 6 of the Federal Excise Act, 2005 whereby the seller is required to furnish Annexure-C of his sales tax-*cum*-federal excise return by 10th of every month. Automated system of FBR will allow input claimed by respective buyers only in respect of those supplies which have been declared in Annexure-C and in respect of which due tax has been deposited by the seller/supplier under a newly introduced automated system of STRIVe. This step will check manipulation by persons operating in undocumented sectors of economy.

System of Computerized Risk Based Evaluation of Sales Tax (CREST) is in place whereby input in respect of doubtful purchases is not allowed to the claimants under the provisions of clause (caa) of section 8 of the Sales Tax Act, 1990. Concept of joint and several liability is in place under the provisions of section 8A of the Sales Tax Act, 1990 under which if sales tax liability of output tax on sales has not been discharged by the seller, the same is recoverable from the purchaser who claims input in respect of the said purchases. This provision discourages black economy as it serves as a major check on businesses carried out in undocumented sectors of economy.

To keep a check on black and undocumented economy provisions have been made through section 21 of the Sales Tax Act, 1990 to deregister, blacklist and suspend registration of a person found to have issued fake invoices or is guilty of tax fraud etc.

To thwart black economy, various penal provisions are in place under section 33 of the Sales Tax Act, 1990. Any person who unauthorizeclly issued a sales tax invoice specifying an amount of sales tax is liable to penalty of Rs. 5000 or 3% of the amount of tax, shown in such an invoice whichever is higher. Person who fails to deposit amount of tax due is liable to penalty of Rs. 10,000 or 5% of the amount of tax involved whichever is higher. Similarly, submission of false or

forged documents, destruction of falsification of record is liable to penalty of 25,000 rupees or 100% of the amount of tax involved. Attempts to commit or connivance in commission of tax fraud is liable to similar penalty. Corresponding provisions have been provided under section 19 of the Federal Excise Act, 2005.

Moreover, to control black economy provisions have been made through section 38 of the Sales Tax Act, 1990 for free access to business or manufacturing premises, office of a registered person or a person liable for registration and who may be required for any inquiry/investigation in any tax fraud committed by him or his agent or any other person. Moreover, in case a registered person is suspected of involvement in evasion of sales tax or tax fraud; the Federal Board of Revenue and its subordinate officers have the powers to post officers at the premises of registered persons to monitor production, sales and stock under the provisions of section 40B of the Sales Tax Act, 1990. Similar provision has been made under section 45 of the Federal Excise Act, 2005.

## 98. \*Ms. Tahira Aurangzeb:

(Deferred during 32nd Session)

Will the Minister for Planning, Development and Reform be pleased to state whether it is a fact that land has been acquired for the construction of Airport in Mansehra; if so, the time by which its construction will be started?

#### Minister for Planning, Development and Reform (Mr. Ahsan Iqbal):

- i. As reported by Aviation Division, land has been earmarked for acquisition and the process for issuance of notification under Section-IV is in progress.
- The CDWP in its meeting held on 4th March, 2015 approved the project for acquisition of 1000 acres of land for construction / establishment of Airport at Mansehra at the total cost of Rs. 1,600,00 million. CDWP further directed that Aviation Division will initiate PC-II for conducting feasibility study for construction of Mansehra Airport.
- iii. After conducting feasibility study and detailed design, construction work for Mansehra Airport will commence.

# 105. \*Ms. Naseema. Hafeez Panezai:

(Deferred during 32nd Session)

Will the Minister for Planning, Development and Reform be pleased to state whether there is any proposal under consideration of the Government to include special projects regarding to decrease poverty in Balochistan under the Public Sector Development Programme in the budget 2016-17; if so, the details thereof?

**Minister for Planning, Development and Reform (Mr. Ahsan Iqbal):** The federal PSDP 2016-17 is being finalized for taking approval of National Economic Council. The approved PSDP will be submitted to the Parliament alongwith Finance Bill 2016-17. The development programs and projects of national importance located all over the country including Balochistan are financed through PSDP that are in line with targets / development agenda envisaged in Vision 2025 / Five Year Plan of the Government. CPEC projects included in PSDP are likely to have biggest impact on uplift of Balochistan.

#### 112. **\*Dr. Nikhat Shakeel Khan:**

(Deferred during 32nd Session)

Will the Minister for Interior and Narcotics Control be pleased to state whether there is any monitoring and evaluation system for the private courier services in order to control terrorist activities in the country; if so, the details thereof?

Transferred to Communications Division for answer on Next Rota Day.

#### 117. \*Ms. Shakila Luqman:

(Deferred during 32nd Session)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the year-wise total amount of funds received by the Pakistan from USA and England under the Head of the Coalition Support Fund during the last three years alongwith the head-wise utilization thereof?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): Coalition Support Fund (CSF) is received from USA alone and following amounts have been received during the last three years:

Year	Amount
2013-14	1050.1
2014-15	1452.0
2015-16	937.0
Total:	3439.1

2. The receipts under CSF become a part of the Federal Consolidated Fund, therefore head-wise utilization of the fund is not possible. However, the indicative budget ceiling made under CSF to Defence Forces for the last three years is as under:

		Rs. Billion
2013-14	2014-15	2015-16
67.0	123.0	80.0

## 1. **\*Ms. Belum Hasnain:**

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the details of punishment awarded and penalties imposed on employees of the National Database and Registration Authority who have been found/involved in issuance of fake Computerized National Identity Cards during the last two years; and
- (b) the details of said employees?

**Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):** (a) 356 x employees have been terminated / dismissed/removed from service for their involvement in illegal processing/SOP violation.

(b) The details of said employees are attached at Annex-A.

(Annexure has been placed in the National Assembly Library)

## 2. **\*Ms. Belum Hasnain:**

*Will the Minister for Planning, Development and Reform be pleased to state:* 

- (a) the location-wise names of the Coal Power Plants being constructed under the China-Pakistan Economic Corridor at present; and
- (b) the time by which the construction work of said Power Plants will be completed?

Minister for Planning, Development and Reform (Mr. Ahsan Iqbal): List of Coal Power projects being constructed under CPEC at present is attached as Annex-A

## Annex-A

Sr. No	Projects	Location	Status
1	Port Qasim Electric Company Coal Fired, 2X660	Sindh	Commercial Operation (COD) by first Quarter 2018
2	Sahiwal 2x660MW Coal-fired Power Plant	Punjab	COD by second Quarter 2017
	Engro thar 4x330MW Coal-fired, Thar	Thar, Sindh	
3	Surface mine in Block II of Thar Coal field, 6.5 mtpa	Thar, Sindh	COD 2018/2019
4	Gawadar Coal Power Project	Gwadar	COD expected 2018/2019
5	HUBCO coal power plant 1X660 MW	Balochistan	COD expected 2018/2019
6	Rahimyar Khan Coal Power Project	Punjab	Feasibility work in process, Expected completion is 2019
7	SSRL Thar Coal Block 6.5mpta &CPIH Mine Mouth Power Plant	Thar, Sindh	COD expected 2018/2019

#### **CPEC-Energy Priority Projects**

**CPEC-Energy Actively Promoted Projects** 

Sr. No	Projects	Location	Status
17	Gaddani Power Park Project	Balochistan / Gaddani	
(i)	2×660MW		Feasibility work in process
(ii)	Jetty + Infrastructure		
18	HUBCO coal power plant 1X660 MW	Hub, Balochistan	Same as above
19	Salt Range Mine Mouth Power Project including mining	Punjab	Feasibility work in process
22	Thar mine mouth oracle	Thar, Sindh	Feasibility work in process
23	Muzaffargarh Coal Power Project	Punjab	Feasibility work in process

#### 3. **\*Ms. Mussarrat Ahmadzeb:**

Will the Minister for Planning, Development and Reform be pleased to state whether there is any proposal under consideration of the Government to start long and short terms projects in the Federally Administered Tribal Areas under the China-Pakistan Economic Corridor Projects?

**Minister for Planning, Development and Reform (Mr. Ahsan Iqbal):** CPEC framework envisions inclusive development of the country. All development initiatives under CPEC are initiated through scientific planning, bilateral consultation and mutual agreements. Feasibility studies would be conducted in FATA to cover the potential sectors in the medium to long term development portfolio of projects in consultation with FATA secretariat.

## 4. **\*Ms. Mussarrat Ahmadzeb:**

*Will the Minister for Planning, Development and Reform be pleased to state:* 

- (a) whether it is a fact that funds for development schemes have been released during tenure of the present Government to elected members of the National Assembly;
- (b) if so, the details of said funds released since 01-06-2013?

**Minister for Planning, Development and Reform (Mr. Ahsan Iqbal):** (a) No funds have been released for development schemes during the tenure of the present Government to the elected members of the National Assembly.

(b) As in part (a) above.

# 5. **\*Ms. Aisha Syed:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the names of those big businessmen included in the tax network during the year 2016 alongwith the province-wise details thereof? **Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar):** Province wise details of big business men brought on tax role during the year 2016 (FY 2015-16) is placed at annex A. The summary is tabulated below;

Province	No. of cases
Islamabad Capital Territory	146
Puhiab	320
Sindh	247
Khyber Pakhtunkhwa	100
Balochistan	245
Total:	1058

A total of 20,547 cases of businesses were booked during the year 2015-16. The 1,058 cases as per table/Annex A are cases of big businessmen identified by field offices from these cases.

(Annexure has been placed in the National Assembly Library)

## 6. **\*Ms. Aisha Syed:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the bank-wise details of foreign loans obtained by the Government during the last five years till date?

**Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar):** Bank-wise detail of the foreign loans obtained (disbursed) by the Government during the last five fiscal years (2011-12 to 2015-16) is given as under:

	US\$ Million
Banks	Amount
World Bank (IDA)	5,039.66
Asian Development Bank	3,242.32
Islamic Development Bank (Short-term)	2,530.92

Banks	Amount
Consortium of Banks led by Credit Suisse	1,355.50
Islamic Development Bank	688.35
World Bank (IBRD)	458.94
Consortium of Banks led by Noor Bank	440.00
Standard Chartered Bank (London)	272.64
Dubai Islamic Bank	70.00
ECO Trade Bank	65.00
Total:	14,163.33

# 7. **\*Ms. Shakila Luqman:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the amount given to each province under the head of GST and other taxes levied on petroleum products during the financial year 2015-16?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): The amount given to each province under the head of GST and other taxes levied on petroleum products during the financial year 2015-16 is as follows:

(Rs. in billion)

			Khyber		
Components	Punjab	Sindh	Pakhtunkhwa	Balochistan	Total
Withholding Tax					
(Income Tax)	2.120	1.006	0.671	0.373	4.170
Sales Tax	145.345	68.964	46.004	25.535	285.848
Federal Excise					
Duty	2.876	1.364	0.910	0.505	5.655
Customs Duties	11.078	5.256	3.506	1.946	21.787
Total:	161.419	76.590	51.091	28.359	317.460

#### 8. **\*Ms. Shakila Luqman:**

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the prescribed punishment for a person who possesses more than one Passports in the country at present;
- (b) the province-wise total number of persons who possess more than one Passports in the country at present; and
- (c) the province-wise total number of persons to whom punishment awarded by the present Government who possessed more than one Passports in the country?

**Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):** (a) Under section 6 of the Passport act 1974, a person who is in possession of more than one Passports may be punished with imprisonment which may extend to three years, or with fine, or with both (Annex-A).

(b) Attempts for multiple Passports on different Citizen IDs captured by NADRA Automated Fingerprint Identification System (AFIS) SR. NO. **Province Name AFIS HITS** 1. AJK/GB 496 2. Balochistan 403 3. Khyber Pakhtoonkwa 2,460 4. Punjab 6,489 5. Sindh 1,975 **Total:** 11,823

c. Nil.

## <u>Annex-A</u>

## 6. Penalties for certain offences relating to passport

- (1) A person shall be punishable with imprisonment which may extend to three years, or with fine, or with both, if he:—
  - (a) make or makes use of any statement which he knows or believes to be false in any document for obtaining passport; or
  - (b) attests or verifies statement which he knows or has reason to believe to be false in any document used for obtaining a passport; or
  - (c) willfully conceals any fact which under the circumstances he ought to disclose for the purpose of obtaining a passport for himself or another person; or
  - (d) forges, alters or tampers with any passport or any document which he uses for obtaining a passport; or
  - (e) uses a passport which has been forged, altered or tampered with; or
  - (f) uses for obtaining a passport a document which has been forged, altered or tampered with ; or
  - (g) is in wrongful possession of a passport not lawful issued to him or allows his passport to be used by another person; or
  - (h) traffics in passports or and documents required for obtaining a passport; or
  - (i) willfully fails or neglects to return a passport issued to him, if he is required to do so or if an order cancelling impounding or confiscating is made : [ or ]

<sup>1.</sup> Subs. by Ordinance No.XXI of 1978 No.F.24(1) 78-Pub. in Gaz. of Pakistan. Extd., Pt.I, 29-5-1978.

<sup>1</sup>(j) obtains more than one passport for himself either in the same or different names by concealing the fact of his already being in possession of a passport:

Provided that a person guilty of an offence punishable under clause (h) shall be punished with rigorous imprisonment for a term which shall not be less than six months and with fine which shall not be less than one thousand rupees.

 Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act V of 1898), an offence punishable under clause (b) of sub-section (I) shall be a bailable offence.

## 9. **\*Ms. Sajida Begum:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state whether there is any proposal under consideration of the Government to abolish interest on all the advances including House Building/Motor Car/Motorcycle being granted to the officers of the Government?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): No proposal is under consideration to eliminate markup on such loans.

## @10. \*Ms. Sajida Begum:

Will the Minister for Planning, Development and Reform be pleased to state the total number of Pakistanis living below the poverty line at present?

**Minister for Planning, Development and Reform (Mr. Ahsan Iqbal):** According to the latest available estimates based on 2013-14 data, 29.5% of the population is living below poverty line, which translates to approximately 55 million people. Using multidimensional poverty indices (MPI) 38.8% population or 73.7 million people were below the threshold development level.

<sup>@</sup> Transferred from Economic Affairs Division.

#### 11. \*Ms. Shahjehan Munir Mangerio:

Will the Minister for Interior and Narcotics Control be pleased to state:

- (a) the total number of close circuit cameras being installed under the Safe City Project on the roads in Islamabad for security purpose;
- (b) the prescribed procedure to monitor the said cameras; and
- (c) the total cost to be incurred thereon alongwith the time by which said project will be completed?

**Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):** (a) A total of 1945 cameras are to be installed under the Safe City Project. Out of these 1805 cameras have already been installed. The rest of cameras are presently been held in reserve for future installation as and when needed across Islamabad Capital Territory (ICT).

(b) The procedure for monitoring of the feed alongwith SOPs and Manuals for response to any incident are currently under formulation through inputs of all stake holders.

(c) Safe City Islamabad Project was negotiated and signed in 2009 at a total cost of US \$ 124.975 million. The implementation was withheld due to a decision of Honourable Supreme Court. On the conclusion of litigation, the project was reinitiated in 2014 without any cost escalation. Upto now a total of Rs.9.53 Billion (equivalent to USD 106 Million) as cost of project and Rs.4.00 Billion on account of duties and taxes has been expended. The project has been implemented and is under operational use, however testing of various components of the system is currently underway.

#### 12. \*Ms. Shahjehan Munir Mangerio:

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

(a) whether it is a fact that there are few Passports Offices in Sindh at present;

(b) if the answer to part (a) above is in the affirmative, whether there is any proposal under consideration of the Government to establish new Passport Offices in the said province at an earliest?

Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan): (a) The Directorate General, Immigration & Passport has so far established 20 Regional Passport offices in Sindh.

(b) Moreover, the Department has planned to establish 08 more offices in Sindh by January, 2017 under Machine Readable Passport Project, Phase-III.

#### 13. \*Ms. Naseema Hafeez Panezai:

*Will the Minister for Planning, Development and Reform be pleased to state:* 

- (a) the projects identified by the Government for alleviation of poverty in Balochistan under development programme of the Government sector in the budget 2016-17; and
- (b) the projects out of the said included by the Federal Government in the said budget?

**Minister for Planning, Development and Reform (Mr. Ahan Iqbal):** (a) Development programs and projects in consultation with provincial Governments are identified by the line Federal Ministries/Divisions as per sectoral priorities and to achieve development targets set under Vision 2025 and 11th Five Year Plan (2013—18). These programmes / projects are discussed in Annual Plan Coordination Committee (APCC) meeting chaired by the Minister, PD&R and National Economic Council (NEC), chaired by the Prime Minister. The Provincial Governments are represented at the Minister and Chief Minister level, respectively in these meetings. However, it may be added that after 18th amendment. responsibility for poverty alleviation falls on the provincial governments, to address the basic poverty related sectors and share enhanced under NFC Award were given for these sectors. Despite this, federal government is also financing vertical programs of health and population welfare through PSDP as per decision of Council of Common Interests (CCI) dated 28-04-2011. All these programs / projects will help to reduce poverty.

(b) As per available fiscal space, projects recommended by Government of Balochistan have been financed during 2016-17 which cover almost all sectors

of the economy such as highway networks, water storage, energy generation and distribution, agricultural research, higher education, industrial development etc. These projects will play positive role in poverty alleviation in Balochistan.

#### 14. \*Ms. Naseema Hafeez Panezai:

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the details of the foreign loans taken by the Government so far to introduce reforms in various departments during the last five years alongwith the names of those departments?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): Government of Pakistan has obtained loans from Japan, Asian Development Bank (ADB) World Bank and International Monetary Fund (IMF). Details are as under:—

## 1. Japan

Following Programme Loan Agreements were signed between Pakistan and Japan for Energy Sector Reforms Programme during the years 2014 and 2016 respectively:—

- A Loan Agreement for Japanese Yen 5 billion (equivalent to US\$ 50 million approximately) for Energy Sector Reform Program (II) (DPC-I) was signed on 4-6-2016 between Pakistan and Japan.
- Another Loan Agreement for Japanese Yen 5 billion (equivalent to US\$43 million approximately) for Energy Sector Reform Program (II) (DPC-H) was signed on 2-2-2016 between Pakistan and Japan.
- The main objective of the program is to revamp the energy sector as reliable, sustainable, and affordable through the implementation of the energy sector reform related to three policy areas; managing tariff and subsidy, improving sector performance and opening the market to private sector participation and achieving accountability and transparency.

The amount of US\$ 50 million (1st tranche) and US\$ 43 million (2nd Tranche) was disbursed on 15-6-2014 and 23-2-2016 respectively Finance Division is the custodian of Energy Sector Reforms Programme.

# 2. Asian Development Bank (ADB)

The following three programme loans have been signed with the Asian Development Bank for reforms during the last five-years:—

- (i) Sustainable Energy Sector Reform Program (Sub-program- I / Development Policy Credit-I) Loan amounting to US\$ 399.16 million was signed on 28-04-2014 for Finance Division.
- (ii) Public Sector Enterprises Reforms Project Loan amounting million was signed on 28-04-2014 for Finance Division.
- (iii) Public Sector Enterprises Reforms Project Loan amounting to US\$ 18.7 million was signed on 27-01-2015 for Finance Division.
- (iv) Sustainable Energy Sector Reform Program (Sub-program-2 / Development Policy Credit-2) Loan amounting to US\$ 393.99 million was signed on 26-11-2015 for Finance Division.

# 3. World Bank

The details of foreign loans obtained by World Bank to introduce reforms as under: —

Sr. No.	Name of Project	Amount in US\$ million	Department	Date
1.	Tax Adminitration Reforms Project	43.5	FBR	Signed on 9th March 2005 and closed on 31st Dec., 2011
2.	Power DPC-I	600	Finance Division	Disbursed in June, 2014
3.	Power DPC-II	500	Finance Division	Disbursed in Nov., 2015
4.	Growth DPC-I	400	Finance Division	Disbursed in June, 2014
5.	Growth DPC-II	500	Finance Division	Disbursed in June, 2015

#### 4. **International Monetary Fund (IMF)**

(a) The loans obtained from the IMF by the government were to introduce reforms in the following departments: —

State Bank of Pakistan (SBP), Federal Board of Revenue (FBR), DISCOS, GENCOS, NEPRA (through Ministry of water and Power), Petroleum Concessions (through Ministry of Petroleum & Natural Resources) P1AC, Pakistan Steel, SLIC etc. (Through Privatization Commission). The details of the loans obtained from IMF for the last 5 years areas under:—

Fiscal Year	Amount (US\$)
2012	0
2013	0
2014	1653
2015	2607
2016	1508
Total:	5768

(b) However, it may be noted that during this period \$4415.2 billion were returned to IMF as repayment.

#### 15. **\*Dr. Nafisa Shah:**

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) the total credit disbursed in the Micro-Finance Sector by the present Government alongwith the interest rates thereof; and
- (b) the regulatory framework of the said Sector?

# Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar):

(a). The microfinance sector's gross loan portfolio grew from Rs. 46 billion in 2013 to Rs. 104 billion in 2016.

- Microfinance Providers' (MFPs) effective interest rates are broadly in the range of 25% to 40%. However, Microfinance Banks' (MFBs) annualized interest rates are within range of 25% to 30%.
- Interest rates in microfinance banking industry are market-driven.
- (b). Microfinance Banks (MFBs) are regulated by State Bank of Pakistan (SBP) under the Microfinance Institutions Ordinance 2001 and SBP's Prudential Regulations for MFBs.
  - Non-Bank Microfinance Institutions (NBMFIs) are regulated by Securities and Exchange Commission of Pakistan (SECP). Furthermore, SECP introduced separate regulatory framework to regulate NBMFIs by making necessary amendments in the current regulatory framework for Non-Banking Finance Companies (NFBCs). In this connection, NBFCs have been allowed to undertake micro finance business and a new class of NBFCs *i.e.* Non-Bank Micro Finance Companies (NBMFCs) has been introduced.

## 16. **\*Dr. Nafisa Shah:**

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) the total credit/loan given by the Zarai Taraqiati Bank Limited to Agricultural Sector during the year 2015-16 alongwith the province-wise details thereof; and
- (b) the steps being taken by the Government to increase credit for farmers?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) During the Financial Year 2015-16, ZTBL disbursed loans of Rs. 90,976.6 million. Province wise detail is given below:—

(Rs. in million)

PROVINCES	LOANS DISBURSED 2015-16
PUNJAB	74,297.6
SINDH	12,197.2
KHYBER PAKHTUNKHWA	3,624.3
BALOCHISTAN	248.9
GILGIT (BALTISTAN)	312.6
AJ & K	296.0
Total:	90,976.6

(b) The Federal Government increased agriculture credit availability to Rs. 600 billion for agriculture financing. During July, 2015 to June, 2016, the banks have disbursed agri. loans of Rs. 598.3 billion which is 99.7 % of the annual target of Rs. 600 billion with 16% growth from last year disbursement of Rs. 515.9 billion.

#### 17. **\*Dr. Fozia Hameed:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the total amount of assistance received from the Asian Development Bank during the last three years alongwith the utilization thereof?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): An amount of US\$ 2.421 Billion have been received during the last three years. The utilization is in the programs/ projects, the details are annexed.

(Annexure has been placed in the National Assembly Library)

# 18. **\*Dr. Fozia Hameed:**

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

(a) whether it is a fact that a number of the Federal Government employees to whom advances/loans for House Building/ Motorcar/Motorcycle/Bicycle are being granted without observing waiting list maintained by the Accountant General Pakistan Revenues (AGPR), Islamabad; if so, the reasons thereof;

- (b) the names, designations and departments of employees to whom advances therefor granted by the AGPR on out of turn basis during the last three years alongwith the justifications thereof separately;
- (c) the General Waiting List (GWL) for Motor Car Advance maintained by the AGPR at present; and
- (d) whether there is any proposal under consideration of the Government to upload the said GWLs on the website of the AGPR; if so, when it will be implemented; if not, the reasons thereof?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) 10% funds out of the released amount of each advance is disbursed on out of turn basis among the deserving hardship cases purely on humanitarian grounds. The cases are considered by two member committee comprising Additional Finance Secretary and Accountant General Pakistan Revenue (AGPR) in consultation with Controller General of Accounts, Additional Finance Secretaries (HRM/Exp), (IF/Reg/IGF), AGPR and JS(PF), Finance Division, Most of the hardship cases are recommended by the Parliamentarians.

(b) Detail of employees to whom advances, thereof have been granted on out of turn basis during last three years is at **Annex-A**, **B** & C.

(c) Updated General Waiting List (GWL) for Motor Car Advance is at **Annex-D.** 

(d) Office of AGPR is already working for software solution to upload the said GWLs on the website of AGPR:

(Annexures have been placed in the National Assembly Library)

## 19. **\*Dr. Shizra Mansab Ali Khan Kharral:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the country-wise branches of the Pakistani Banks are functioning at present?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): Presently, Pakistani banks are operating in following 36 countries of the World in various forms *viz*. branches, subsidiaries and Representative Offices:

S#	Country	S#	Country
1.	Afghanistan	19.	Mauritius
2.	Azerbaijan	20.	Malaysia
3.	Bahrain	21.	Oman
4.	Bangladesh	22.	Qatar
5.	Belgium	23.	Kingdom of Saudi Arabia
6.	Canada	24.	Seychelles
7.	China	25.	Singapore
8.	France	26.	Sri Lanka
9.	Germany	27.	Switzerland
10.	Hong Kong	28.	Tajikistan
11.	Iran	29.	Tanzania
12.	Japan	30.	Turkey
13.	Kazakhstan	31.	Turkmenistan
14.	Kenya	32.	UAE
15.	Korea	33.	UK
16.	Kyrgyzstan	34.	USA
17.	Lebanon	35.	Uzbekistan
18.	Maldives	36.	Yemen

Country-wise details of Overseas Operations of Pakistani Banks are at Annex-A.

<u>Annexure-A</u>

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Bank-Wise & Country-Wise Data of Overseas Operations of Pakistani Banks

#### 20. **\*Dr. Shizra Mansab Ali Khan Kharral:**

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) whether it is a fact that the Pakistan and India have planned to open the banks branches in each other country;
- (b) if so, the time by which the said branches will be opened?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) The proposal for opening of bank branches in each other's countries on reciprocal basis was first initiated in 2005. However, the process was stopped in 2008 in wake of Mumbai terrorist attacks. The process was reinitiated during 2011-12 and a couple of meetings were held between State Bank of Pakistan (SBP) and Reserve Bank of India (RBI) officials. SBP at its end issued NOCs to three Pakistani banks for opening of branches in India but so far RBI has not given its approval to Pakistani banks for starting banking operations in India. Nevertheless, SBP's steps were not reciprocated by RBI upon Central Bank's last follow up, RBI in its letter dated June 13, 2014 informed that:

"The decision to open branches abroad, being a commercial decision for the banks, has been left to them. Therefore, at this stage we are not aware as to which Indian bank would be willing to open branch in Pakistan. As and when a bank approaches us with such a proposal we would inform you."

(b) Since the above communication, no response has been received from Reserve Bank of India (RBI) regarding the matter so time frame for opening of branches cannot be given.

## 21. \*Sheikh Salahuddin:

*Will the Minister for Planning, Development and Reform be pleased to state:* 

- (a) the details of Water and Power Projects being executed in Karachi; and
- (b) the time by which the said projects will be completed?

Reply not received.

#### 22. \*Sheikh Salahuddin:

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the time by which population census will be conducted in the country?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): The CCI in its meeting held on 25th March, 2016 decided that efforts should be made to conduct Census in the Calendar year 2016 subject to availability of required Armed Forces Personnel in order to ensure transparency, credibility and security of Census Operation. Furthermore, Statistics Division shall remain engaged with all stakeholders including Ministry of Defense for the availability of required Armed Forces Personnel and shall keep the CCI updated of the progress.

In the light of above decision PBS has continued its preparations to hold the Census in calendar year 2016, subject to availability of the Armed Forces Personnel. The PBS has accordingly held meetings with the Chief Secretaries, Govt. of Sindh, Khyber-Pakhtunkhaw and AJ&K to take them on board while meetings with other stakeholders are in pipeline for holding of census within the time frame given by the CCI.

## 23. \*Mr. Muhammad Muzammil Qureshi:

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) whether it is a fact that the Ministry has given approval to various Government departments for investment of their funds in Government papers and banks;
- (b) if so, the details of departments alongwith the prescribed procedure thereof?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) Federal Divisions/attached departments/subordinate offices are not allowed to invest any fund in the government papers and banks as they have no surplus funds or working balance. However Public Sector Enterprises, local/autonomous bodies, welfare funds etc. are allowed to invest their working balances and surplus funds in Government papers or banks in accordance with the guidelines issued by the Finance Division *vide* OM No. F. 4(1)/2002-BR-II Dated 2nd July 2003 (as amended from time to time) (copy enclosed). The Principal Accounting Officer of the Division concerned is responsible for implementation of these instructions regarding the PSEs / local / autonomous bodies under their control.

(b) As the Divisions / departments have no surplus funds or working balance, hence question to invest the fund does not arise.

#### 24. \*Mr. Muhammad Muzammil Qureshi:

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) the estimated amount which was planned to borrow from commercial banks for the fiscal years 2013-14 and 2015-16 alongwith the amount which was actually borrowed therefrom during the said period;
- (b) whether it is a fact that the Government borrowed over and above against the said estimates; if so, the reasons/justification alongwith the impacts thereof; and
- (c) the steps being taken by the Government to abstain from excessive borrowings from commercial banks in future?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) Details of estimated and actual amount borrowed from domestic commercial banks are as follows:—

Profits of Dabt raised through quotion of Government Securities

Rs. Billion

<b>Fiscal Year</b>	Targets	Realized	Excess/Shortfall
2013-14	9254.5	8738.4	(516.1)
2014-15	4495.0	4580.3	85.3
2015-16	5755.0	5418.0	(337.0)
Total:	19,504.5	18,736.7	(767.8)

(b) No. the realized amount is less than the target amount.

(c) The major steps include reduction of Fiscal deficit and improving the balance of payments position through:

- (a) Fiscal discipline,
- (b) Tax reforms focusing on broadening income tax base;
- (c) Austerity measures *i.e* reducing other than obligatory expenditures,
- (d) Reducing un-targeted subsidies,
- (e) Reforming public sector corporations,
- (f) Resolving energy crises and
- (g) Attracting non-debt inflows *e.g* Remittances.

As a result of above fiscal consolidation measures, government has successfully curtailed the fiscal deficit at 5.3 percent of GDP during FY 15 against 5.5 percent during FY 14 down from 8.2% in 2013. Further, government is on track to bring down the deficit to 4.3% as at end FY 16, thus nearly halving the fiscal deficit three years.

## 25. \*Ms. Nafeesa Inayatullah Khan Khattak:

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the procedure/mechanism adopted by the National Database and Registration Authority (NADRA) for the re-verification of the Computerized National Identity Card;
- (b) whether it is a fact that the said procedure will fail with respect to their family heads who do not use a mobile phone or are illiterate;
- (c) if so, the measures adopted by the NADRA to address the said situation?

#### 33

**Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):** (a) 1420 x Computerized National Identity Cards (CNICs) have been blocked as a result of Ministry's re-verification exercise.

(b)  $3403 \times \text{CNICs}$  have been blocked that were issued since 15-01-2014.

(c) 353 x CNICs issued to confirmed Aliens since 15-01-2014.

## 26. \*Ms. Nafeesa Inayatullah Khan Khattak:

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the total number of Computerized National Identity Cards (CNICs) have blocked and cancelled as a result of Minister's re-verification exercise;
- (b) the total number of CNICs blocked that were issued since 15-01-2014; and
- (c) the total number of foreigners to whom CNICs issued since 15-01-2014?

**Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):** (a) 1420 x Computerized National identity Cards (CNICs) have been blocked as a result of Minister's re-verification exercise.

(b)  $3403 \times \text{CNICs}$  have been blocked that were issued since 15-01-2014.

(c) 353 x CNICs issued to confirmed Aliens since 15-1-2014.

## 27. \*Mr. Waseem Akhtar Shaikh:

Will the Minister for Planning, Development and Reform be pleased to state the steps being taken by the Government to strengthen the Planning Commission of Pakistan?

## Minister for Planning, Development and Reform (Mr. Ahsan Iqbal):

- 1. The Ministry of Planning, Development & Reform has already initiated the process of restructuring aimed at efficiency enhancement, right sizing and quality output. In the context of restructuring, the Ministry of Planning & Development has been renamed as "Ministry of Planning, Development & Reform".
- 2. On the recommendation of this Ministry, Government of Pakistan (GoP) has revamped and restructured the Planning Commission to enable it to effectively plan for the economic and social development of the country and to act as an apex think tank of the GoP.
- 3. The Planning Commission has been reconstituted by increasing the number of Members from six to nine. The Chairman and Deputy Chairman would continue to perform their roles and responsibilities in the restructured Planning Commission.
- 4. The Advisory Board of Planning Commission has also been re-constituted by including eminent professionals of national and global status, parliamentarians, educationists, researchers and leading personalities from the civil society and private sector.
- 5. Country was lacking shared vision and planning process was without any clear direction, therefore, present government conceived a vision 2025 through building consensus among all political parties and experts from all walks of life. New vision has strengthened the Planning and Development process at Planning Commission.
- 6. Professionals Members recruited.
- 7. Analytical capability enhanced Rs.500 Billion + saved in rationalization in 3 years.
- 8. Collaborative links with academia and private sector strengthened.
- 9. Approval of projects process streamlined.
- 10. Disbursements of PSDP ensured in time.

#### 28. \*Mr. Waseem Akhtar Shaikh:

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) whether it is a fact that tax evasion estimated by the Federal Board of Revenue during the last three fiscal years;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to control the tax evasion?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) There has been no official study to estimate evasion of duty and taxes during the last three fiscal years.

- (b) Not applicable, in view of answer to part (a) above.
- (c) Following steps are being taken by the FBR to control the tax evasion.

# **Income Tax**

- (i) A National Data Warehouse has been created in FBR. The data warehouse primarily includes the data collected through third party sources such as motor vehicle registering authorities, educational institutions, Property Registrars Offices, Development Authorities, Housing Societies, electricity distribution companies, automobile manufacturing Cos and the withholding tax statements. Based on this data base notices are being issued. The system is monitored by the Directorate of Broadening of Tax Base (BTB) of FBR with the help of Field formations.
- (ii) The data declared in the withholding tax statement and sales tax return is analyzed to identify person who carryout financial transactions but are not on tax rolls. Appropriate action in respect of such persons is initiated in accordance with relevant provisions of law.
- (iii) To timely detect and take appropriate legal actions against tax evaders automated systems have been developed and used such as Computerized Risk Based Evaluation of Sales Tax (CREST).

- (iv) To broaden the tax base, a new regime wherein different rates of adjustable withholding of Income Tax for income tax returns filers and non filers on certain transactions have been introduced. The higher rates of tax for non filers will not only prod non filers to file returns and declare their income from all sources, but also provide a database to FBR for identification of potential taxpayers to be pursued for broadening of tax base.
- (v) FBR Directorate General of Intelligence & Investigation is exclusively perusing cases of tax fraud and evasion. This directorate gathers information on tax related issues and investigates tax and fiscal frauds and this Directorate recommends appropriate action where ever required.
- (vi) To control tax evasion various penal provisions are in place under Income Tax Ordinance, 2001, which include:
  - Penalty of Rs.25,000/- or 100% of the amount of tax shortfall (whichever is higher) applies for making false or misleading statements, inaccurate particulars of income, and concealment.
  - Further, tax evasion is an offence punishable on conviction with a fine or imprisonment for a term not exceeding one year, or both under section 191 of the Ordinance.
  - Section 192A, provides for prosecution for concealment of income. Such an offence will attract imprisonment upto 2 years, or five, or both.

#### **Sales Tax**

(1) In order to ensure that only those inputs are claimed by the buyer in his sales tax return in respect of which seller has deposited due amount of sales tax, changes have been introduced in section 7 of the Sales Tax Act, 1990 and section 6 of the Federal Excise Act, 2005 whereby the seller is required to furnish Annexure-C of his sales tax-*cum*federal excise return by of every month. Automated system of FBR will allow input claimed by respective buyers only in respect of those supplies which have been declared in Annexure-C and in respect of which due tax has been deposited by the seller/supplier. This step will preclude possibility of non-genuine input tax adjustment-the root cause of major sales tax and Federal Excise Evasion.

- (2) System of Computerized Risk Based Evaluation of Sales Tax (CREST) is in place whereby input in respect of doubtful purchases is not allowed to the claimants under the provisions of clause (caa) of section 8 of the Sales Tax Act, 1990. Concept of joint and several liability is in place under the provisions of section 8A of the Sales Tax Act, 1990 under which if sales tax liability of output tax on sales has not been discharged by the seller, the same is recoverable from the purchaser who claims input in respect of the said purchases.
- (3) To control tax evasion various penal provisions are in place under section 33 of the Sales Tax Act, 1990. Any person who unauthorizedly issued a sales tax invoice specifying an amount of sales tax, he is liable to penalty of Rs. 5000 or 3% of the amount of tax, shown in such an invoice whichever is higher. Person who fails to deposit amount of tax due is liable to penalty of Rs. 10,000 or 5% of the amount of tax involved whichever is higher. Similarly, submission of false or forged documents, destruction of falsification of record is liable to penalty of 25,000 rupees or 100% of the amount of tax involved. Attempts to commit or connivance in commission of tax fraud is liable to similar penalty. Corresponding provisions have been provided under section 19 of the Federal Excise Act, 2005.
- (4) Provisions have been made through section 38 of the Sales Tax Act, 1990 for free access to business or manufacturing premises, office of a registered person or a person liable for registration and who may be required for any inquiry/investigation in any tax fraud committed by him or his agent or any other person. Moreover, in case a registered person is suspected of involved in evasion of sales tax or tax fraud, the Federal Board of Revenue and its subordinate officers have the powers to post officers at the premises of registered persons to monitor production, sales and stock under the provisions of section 40B of the Sales Tax Act, 1990. Similar provision has been made under section 45 of the Federal Excise Act, 2005.

### Customs

- (i) Computerized clearance system with minimum human interaction;
- (ii) Risk Management System;

- (iii) Placement of multiple checks and monitoring at the level of clearance collectorates;
- (iv) Post release verification by the field formations;
- (v) External monitoring by the Directorates of Intelligence and Investigation (Customs);
- (vi) Post clearance audit by the Directorate of PCA;
- (vii) Prompt legal action in case of attempt of evasion of duty and taxes.

### 29. **\*Ms. Munaza Hassan:**

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) whether there is any proposal under consideration of the Government to end up the indirect taxation system in the country; if so, the details thereof; and
- (b) the justification to collect the indirect tax in the country?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) There is no such proposal under consideration of the Government.

(b) Over the years various policy and administrative measures have led to reduction in reliance on the indirect taxes. These include:

- (a) Tax base of FED has contracted over the years and now is restricted to only few commodities like cigarettes, cement, beverages and services like international travel etc. The contribution of FED in the total collection has also dropped from 20% in 1990-91 to 6.1% during 2013-14.
- (b) Sales tax has been re-structured as a tax on consumption, which is in line with the principles of equity and progressivity.

On the other hand, the contribution of direct taxes has increased significantly during past few years. The share of direct taxes increased from 19% in 1970-71 to 32% in 2000-2001. It has increased to 39% in 2013-14. A comparison of

direct and indirect taxes in terms of contribution in overall federal taxes collected by FBR is reflected in the following table which clearly indicates that the reliance on indirect taxes has reduced to a great extent.

Fiscal Years	Direct Taxes	Indirect Taxes
1970-71	19.0	81.0
1980-81	20.7	79.3
1990-91	18.0	82.0
2000-01	31.8	68.2
2013-14	39.0	61.0
2014-15	39.92	60.07

Shares of Direct and Indirect Taxes (%)

The major thrust of the policy and administrative measures initiated during FY 2014-15 and 2015-16 is on placing more reliance for revenue generation through direct taxes.

### 30. \*Ms. Munaza Hassan:

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) the measures adopted/steps taken by the Government to reduce budget deficit since 01-07-2013;
- (b) the percentage of increase made in the said deficit during the said period; and
- (c) the reasons to increase the said deficit?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) The present Government had made all efforts to reduce budget deficit, which includes:

- Introduction of austerity measures.
- Complete ban on purchase of vehicles.

- Ban on creation of new posts.
- Bare minimum Supplementary Grants.
- Increase in tax revenue collection through removal of tax exemptions, broadened tax base and efficient administrative measures.

(b) There has been no increase in budget deficit and in fact it has been reduced from 8.8% of GDP in May, 2013 to 5.3% of GDP during 2014-15. Furthermore it has come down to 4.6% of GDP in financial year 2015-16.

(c) There was no increase in the percentage of budget deficit.

Islamabad: The 31st July, 2016 ABDUL JABBAR ALI, Secretary.

PCPPI-1213(2016) NA-31-07-2016-650.

(34th Session)

### NATIONAL ASSEMBLY SECRETARIAT

### "UNSTARRED QUESTIONS AND THEIR REPLIES"

### For Monday, the 1st August, 2016

### 5. **Ms. Belum Hasnain:**

(Deferred during 24th Session)

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) whether it is a fact that blasphemy law is being mis-used at present and affecting the innocent minorities in the country;
- (b) if so, the steps taken by the Government to control the said mis-utilization?

Reply not received.

### 31. Aijaz Hussain Jakhrani:

(Deferred during 27th Session)

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the total number of Flour Mills in Islamabad at present;
- (b) whether monthly quotas have been prescribed by the Government for the said Flour Mills; if so, the details thereof; and
- (c) the month-wise quota received by said Mills separately during the years 2010 to 2015?

### 62. Ms. Shagufta Jumani:

(Deferred during 27th Session)

Will the Minister for Interior and Narcotics Control be pleased to state the province-wise total number of registered and un-registered Non Governmental Organizations working in Pakistan at present?

Transferred to Economic Affairs Division for answer on Next Rota Day.

### 66. Ms. Khalida Mansoor:

(Deferred during 27th Session)

Will the Minister for Interior and Narcotics Control be pleased to state the city-wise refugees residing in the country at present?

Transferred to States and Frontier Regions Division for answer on Next Rota Day.

### 50. Mr. Sajid Nawaz:

(Deferred during 28th Session)

Will the Minister for Interior and Narcotics Control be pleased to state whether it is a fact that compensation funds have not been released to the affected families of Waziristan Operation up-till now; if so, the reasons thereof?

Transferred to States and Frontier Regions Division for answer on Next Rota Day.

### 117. Dr. Shazia Sobia:

(Deferred during 28th Session)

Will the Minister In-charge of the Prime Minister, s Offices be pleased to state the average per day expenses of the Prime Minister, s House during the last two years?

### 27. Ms. Musarat Rafique Mahesar:

(Deferred during 29th Session)

Will the Minister for Interior and Narcotics Control be pleased to state the details of land regained in the rural areas of Islamabad by the Ministry during the tenure of the present Government?

Reply not received.

### 34. Mr. Ramesh Lal:

(Deferred during 29th Session)

Will the Minister for Interior and Narcotics Control be pleased to state the names and father names of those persons to whom licences of bear and wine have been issued since 01-01-2013 alongwith the details thereof?

Reply not received.

### 38. Ms. Sabiha Nazir:

(Deferred during 29th Session)

Will the Minister for Interior and Narcotics Control be pleased to state the steps being taken by the Ministry to make sure that the Private Security Guards are properly trained and physically fit to perform their duties in Islamabad?

Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):

Necessary instructions are issued, from time to time, to Private Security Companies operating in Islamabad, to impart training to security guards, prior to their deployment, Training of security guards is one of the mandatory conditions of the license. MOI has notified the following for training of security guards:—

- i. M/s Fauji Foundation
- ii. M/s Askari Guards (Pvt) Ltd.
- iii. M/s National Police Foundation Security Services (Pvt) Ltd.
- iv. Provincial Police Line Headquarters, Islamabad.

At the time of renewal of license, report is obtained from AIGP (Special Branch), SSP and DMICT, to the effect that security guards have been trained by the approved Institutions and their antecedents stand verified by Police. The license of a security company is not renewed, if security guards are not trained from authorized institutions.

ICT Police has launched a 3-day special security training programme for private security guards from January, 2016, at Police Lines Headquarters, Islamabad.

### 57. Mr. Sajid Ahmed:

(Deferred during 30th Session)

Will the Minister for Interior and Narcotics Control be pleased to state whether it is a fact that the records of the lands in Islamabad have not been computerized so far?

Reply not received.

### 68. **Mr. Babar Nawaz Khan:**

(Deferred during 30th Session)

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) the total funds provided by the foreign Government and National and International Charity Organizations for the affectees of terrorism since 31-05-2015 alongwith the details thereof separately; and
- (b) the present status of projects/ programmes started from said funds?

Transferred to Interior Division for answer on Next Rota Day.

### 75. Ms. Nafeesa Inayatullah Khan Khattak:

(Deferred during 30th Session)

*Will the Minister for Planning, Development and Reform be pleased to state:* 

- (a) whether there is any proposal under consideration of the Government to utilize local inputs under China-Pakistan Economic Corridor Project; if so, the details thereof; and
- (b) the details of said inputs/finished goods including equipments and machineries being imported from China in this regard during the inception of said project?

Reply not received.

19. Ms. Mussarrat Ahmadzeb:

(Deferred during 31st Session)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state whether there is a technical training programme under Prime Minister's Youth Programme; if so, the total number of youth from Malakand Division are benefiting therefrom?

Transferred to Federal Education and Professional Training Division for answer on Next Rota Day.

### 25. Mr. Asad Umar:

(Deferred during 31st Session)

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the reasons for not implementing the Judgment No.0000507/14, dated 25-10-2014 of the Federal Ombudsman of Pakistan in respect of Medical Cooperative Housing Society, islamabad;
- (b) the action being taken against responsibles for not implementing the same;
- (c) the time by which its results will come to fore; and
- (d) the dates on which the District Administration, Islamabad was called by the Federal Ombudsman Secretariat in its Office

(e) whether Government intends to take action against the officials of the District Administration, Islamabad who are responsible for not implementing the same?

**Minister for Interior and Narcotics Control (Ch. Nisar Ali Khan):** (a) The Managing Committee of Pakistan Medical Cooperative Housing Society, Islamabad was directed to implement the recommendations of Wafaqi Mohtasib, It is unable to implement the same because of unavailability of funds as *Ex*-Managing Committee had embezzled funds.

(b) FIR No.28, dated 27-01-2015 was registered against former Managing Committee. A case for recovery of embezzled amount has also been filed in the Court of Registrar Cooperatives.

(c) Further necessary action shall be taken after the final order of the Court.

(d) Nine (09) notices were received from Wafaqi Mohtasib & 1CT officers attended Wafaqi Mohtasib's office accordingly.

*Ex*-Managing Committee is responsible for embezzlement etc. and ICTA has already initiated legal action against it. No action against ICTA is required.

### 17. Ms. Suraiya Jatoi:

(Deferred during 32nd Session)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the details of DISCOs included in the privatization plan during the tenure of the present Government?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): The Cabinet Committee on Privatization (CCOP) in its meeting held on October 03, 2013, had approved a "Privatization Program" for Early Implementation, which included following three power distribution companies (DISCOs). Decision of the CCOP is placed at Annex-A:

- (i) Islamabad Electric Supply Company Limited (**IESCO**)
- (ii) Faisalabad Electric Supply Company Limited (FESCO)
- (iii) Hyderabad Electric Supply Company Limited (**HESCO**)

On June 11, 2014, the CCOP further approved inclusion of remaining following six (6) DISCOs in "Privatization Programme for Early Implementation". Decision of COOP is placed at **Annex-B**:

(i)	Lahore Electric Supply Company Limited	(LESCO)
(ii)	Gujranwala Electric Power Company Limited	(GEPCO)
(iii)	Multan Electric Power Company Limited	(MEPCO)
(iv)	Peshawar Electric Supply Company Limited	(PESCO)
(v)	Quetta Electric Supply Company Limited	(QESCO)
(vi)	Sukkur Electric Power Company Limited	(SEPCO)
		Annex-A

# Case No. CCOP-01/01/2013PRIVATISATION PROGRAMMEDated: 3rd October, 2013PRIVATISATION PROGRAMME

### **DECISION**

The Cabinet Committee on Privatisation (CCOP) considered the Summary, dated 1st October, 2013, submitted by Privatisation Division on **"Privatization Programme"** and, after due deliberation, approved, in principle, the proposed "Privatisation Program for Early implementation" as specified in Annexure-A & B of the Summary.

II. CCOP also considered the additional item of Lakhra Power Generation Company Limited (LPGCL) and approved its privatisation, in principle, subject to its approval from the Council of Common Interest.

III. The line Ministries were directed to provide all relevant information to the PC in respect of the PSEs under their administrative control, to enable the PC to prepare the necessary transactions for the CCOP, to facilitate the latter to take prudent and judicious decision on privatization programme, as approved, in principle

Sr.#	Name of the Entity	
(1)	Islamabad Electric Supply Company Limited	(IESCO)
(2)	Faisalabad Electric Supply Company Limited	(FESCO)
(3)	Hyderabad Electric Supply Company Limited	(HESCO)
(4)	Jamshoro Power Generation Company Ltd - JPCL	(GENCO-I)
(5)	Northern Power Generation Company Ltd - NPGCL	(GENCO-III)
(6)	Kot Addu Power Company Limited	(KAPCO)

(7) National Power Construction Corporation Limited (NPCC)

### Annex-B

### CaseNo. CCOP-05/03/2014 Dated: 12th June, 2014

### INCLUSION OF POWER SECTOR ENTERPRISES IN PRIVATIZATION PROGRAMME FOR EARLY IMPLEMENTATION

### **DECISION**

The Cabinet Committee on Privatization (CCOP) considered the Summary, dated 11th June, 2014, submitted by Privatization Division on **"Inclusion of Power Sector Enterprises in Privatization Programme for early implementation"** and approved the proposal contained in para-4 of the summary.

\*\*\*\*

### Sr.# Name of the Entity

- (1) Lahore Electric Supply Company Limited (LESCO)
- (2) Gujranwala Electric Power Company Limited (GEPCO)

### Sr.# Name of the Entity

- (3) Multan Electric Power Company Limited (MEPCO)
- (4) Peshawar Electric Supply Company Limited (PESCO)
- (5) Quetta Electric Supply Company Limited (**QESCO**)
- (6) Sukkur Electric Power Company Limited (SEPCO)
- (7) Central Power Generation Company Ltd. (CPGCL)/GENCO-II
- (8) Lakhra Power Generation Company Ltd. (LPGCL)/GENCO IV

### 46. **Ms. Sajida Begum:**

(Deferred during 32nd Session)

*Will the Minister for interior and Narcotics Control be pleased to state:* 

- (a) whether it is a fact that the seniority list of officers working on contract basis in Machine Readable Passport project is being maintained;
- (b) whether there is any legal status of maintaining the seniority list of contract employees; if not, the seniority list maintained through which foreign posting is being made under the prescribed code of seniority-cum-fitness; and
- (c) whether it is also a fact that the employees of said project are being promoted through a fake seniority list; if so, the names and designations thereof?

### 56. Ms. Sabiha Nazir:

(Deferred during 32nd Session)

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) whether it is a fact that the fake currency is being smuggled to UAE from Pakistan;
- (b) if so, the steps being taken by the Government to control printing of fake currency?

Transferred to Revenue Division for answer on Next Rota Day.

### 57. Ch. Muhammad Shahbaz Babar:

(Deferred during 32nd Session)

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) the number of individuals who got benefits from the money laundering scheme; and
- (b) the total amount transferred to Pakistan by the said scheme?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) No such "Scheme" exists.

(b) In view thereof, other parts of the questions are not required to be answered.

### 58. Dr. Mahreen Razaque Bhutto:

(Deferred during 32nd Session)

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the benefits obtained from the privatization during the last five years till date?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): The Privatisation Commission has complete five (05) privatisation transactions, fetching proceeds of PKR.172,870.2 million (including foreign exchange of USD  $\sim 1.124$  billion) during the last five years. Details of the same are Annexed. The proceeds have been disbursed to the Federal Government.

The amounts received through these privatization transactions are utilized towards reduction of public debt and poverty alleviation in accordance with section 16 of the Privatization Commission Ordinance 2000.

In addition, these transactions lead to strengthening of Pakistan capital markets, and the private sector; in the medium to long term further benefits in terms of expansion of employment and improved service delivers resulting in improving welfare of the people of Pakistan.

Annexure

Sr. #	Transfer/ Settlement Date	PSE	Sale Price (In Million)	Mode	Sector	Buyer
1	Jun '14	UBL ~19.6% SPO (241,921,931 shares)	38,224	Capital Market	Banking/ Finance	Institutional & HNWI Offer Thru Stock Exchange
2	Jun '14	PPL Offering (~70.05 million shares)	15,342	Capital Market	Energy	Institutional & HNWI Offer Thru Stock Exchange
3	Dec '14	ABL Offering (~131.3 million shares)	14,440	Capital Market	Banking/ Finance	Institutional & HNWI Offer Thru Stock Exchange
4	Apr '15	HBL Offering (~609 million shares)	102,365	Capital Market	Banking/ Finance	Institutional & HNWI Offer Thru Stock Exchange
5	Sep '15	National Power Construction Corp. (88% Shares)	2,499.2	Strategic	Power	Mansoor Al Mosaid Company
		<b>Total Proceeds</b>	172,870.2			

## 59. **Dr. Mahreen Razaque Bhutto:** (Deferred during 32nd Session)

(Dejerred during 52nd Session)

*Will the Minister for Planning, Development and Reform be pleased to state:* 

(a) the steps taken by the incumbent Government to implement and revitalize the global partnership for sustainable development; and

(b) the details of milestones achieved therefrom?

Transferred to Climate Change Division for answer on Next Rota Day.

### 62. Mr. Waseem Akhtar Shaikh:

(Deferred during 32nd Session)

*Will the Minister for Finance, Revenue, Economics Affairs Statistics and Privatization be pleased to state:* 

- (a) the date and department-wise names of employees who applied for House Building and Car Advances during the February, 2016 alongwith the seniority number thereof; and
- (b) the time by which the said advances will be given to said employees?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): (a) the date and department-wise names of employees who applied for House Building and Car Advances during the month of February, 2016 alongwith the seniority number thereof is at Annex-A&B

(b) Expected time for grant of advance is mentioned against each name in Annex-A&B.

(Annexures have been placed in the National Assembly Library)

### 1. Ms. Mussarrat Ahmadzeb:

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state the unemployment ratio in Malakand Division at present?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): Pakistan Bureau of Statistics, an attached department of Statistics Division, collects Labour Force Data representative at National/Provincial level with urban/rural breakups but not at divisional level because sample distribution may not include each district of the Division. Therefore, the unemployment ratio in Malakand Division can't be derived from Labour Force Survey Data.

### 2. Ms. Sajida Begum:

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state whether there is any proposal under consideration of the Government to fix Rs.50,000/- per month as a minimum pension of the retired Federal Government employees?

**Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar):** No proposal is under consideration of Government to fix Rs.50,000/- per month as minimum pension of the retired Federal Government employees"

### 3. Mr. Muhammad Muzammil Qureshi:

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) the post-wise names, designations and domiciles of officers who have been appointed in the National Database and Registration Authority's Office, Jhelum since 01-06-2013;
- (b) whether each of the aforesaid post was advertised; if so, the details thereof;
- (c) the number of applicants appeared in test/interview for said posts separately;
- (d) whether approval for said appointments was taken by the Ministry; if so, the details; if not, the reasons thereof;
- (e) whether merit has not been followed in letter and spirit while making such appointments; if so, whether Ministry has taken notice of it; if so, the details thereof; and
- (f) the steps are being taken to streamline the affairs of such appointments?

### 4. Mr. Siraj Muhammad Khan:

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:

- (a) whether it is a fact that customs duty has been imposed on books;
- (b) whether it is also a fact that the said duty is contrary to Article 1 of the UN Florence Agreement; and
- (c) whether it is further a fact that Pakistan is the signatory of said agreement?

Reply not received.

### 5. **Mr. Siraj Muhammad Khan:**

*Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state:* 

- (a) whether it is a fact that a proposal is being suggested by the Government for withdrawal of zero-rating of sales tax on educational stationary items;
- (b) if so, whether said exemption will increase the prices of daily use items for students and will be contrary to the spirit of "education emergency" as declared by the Honourable Prime Minister?

**Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar):** (a) Through Finance Act, 2016, the facility of zero-rating on stationery items has been withdrawn.

(b) As per policy of the Government, exemption is available to stationery items under the Sixth Schedule to the Sales Tax Act, 1990. However, as result of withdrawal of the zero-rating facility, no adjustment of input tax on goods/materials acquired for manufacturing of stationery items shall be admissible to stationery manufacturers.

Standard rates of sales tax for supply of goods is 17% whereas stationery items still enjoy exemption from sales tax.

#### 6. **Mr. Sher Akbar Khan:**

*Will the Minister for Interior and Narcotics Control be pleased to state:* 

- (a) whether it is a fact that dangerous/technical allowance is not admissible to the Bomb Disposal Squad in Islamabad at present;
- (b) if the answer to part (a) above is in the affirmative, whether there is any proposal under consideration of the Government to grant the said allowance to the said squad; if so, the time by which it will be implemented?

Reply not received.

### 7. Mr. Isphanyar M. Bhandara:

*Will the Minister for Planning, Development and Reform be pleased to state:* 

- (a) whether it is a fact that a coal based energy company has withdrawn from the China-Pakistan Economic Corridor; if so, the reasons thereof; and
- (b) the steps taken by the Government to bring the said company back?

**Minister for planning, Development and Reform (Mr. Ahsan Iqbal):** (a) After LOI, the Company conducted feasibility study and the results showed

that Coal Quality and Quantity were not up to the mark. The Performance Guarantee Submitted by the project company, CMEC, at the time of issuance of LOI, has been encashed on 11th May 2016. This was due to failure by the sponsors to obtain LOS in accordance with the terms and conditions of the Letter of Intent (LOI).

(b) MoW&P later offered tariff for mix of local and imported coal, which Company did not accept and have shown unwillingness to proceed further in light of coal availability/logistics and tariff.

### 8. **Mr. Isphanyar M. Bhandara:**

Will the Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization be pleased to state whether it is a fact that unclaimed cash bonuses and unclaimed stock dividends of billions of rupees are lying with all public limited companies in Pakistan and having no use to the shareholders/companies/Government Exchequer?

Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization (Mr. Muhammad Ishaq Dar): As per accounts of the companies for the financial year ending 2015:

- i. Approximately **Rs. 6 billion** is appearing on account of unclaimed dividends on the balance sheets of listed public companies.
- ii. As regards unclaimed shares/ stock dividends, the data is not available from the financial statements of listed companies, as these are not required to be disclosed.
- iii. Existing provisions of the Companies Ordinance, 1984 do not provide any mechanism for utilization of dividends and shares which remain unclaimed. As per current practice, unclaimed dividend amounts in normal course as well as on unclaimed shares continue to be utilized by the declaring companies in their business operations.
- iv. Therefore, a comprehensive amendment Bill titled "Unclaimed Dividend and Insurance Benefits and Investor Education and Awareness Fund (Amendment) Bill" has been drafted and is under legislative process.
- v. The draft Bill provides regulatory framework for unclaimed dividends and insurance benefits and vesting of such benefits with the Federal Government. The shareholder/policyholder can claim that dividend by fulfilling the prescribed procedure.

Islamabad: *The 31st July, 2016.*  ABDUL JABBAR ALI, Secretary.

PCPPI-1213(2016) NA-31-7-2016-650.