



# GOVERNMENT OF KHYBER PAKHTUNKHWA FINANCE DEPARTMENT

Finance Department, Civil Secretariat, Peshawar

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No.BO.I/FD/5-20/2025-26/Release Policy

Dated Peshawar the 11/07/2025

To

1. The Additional Chief Secretary, P & D Department, Khyber Pakhtunkhwa.
2. The Senior Member, Board of Revenue, Khyber Pakhtunkhwa.
3. The Additional Chief Secretary, Home & Tribal Affairs Department, Khyber Pakhtunkhwa
4. All Administrative Secretaries to Govt. of Khyber Pakhtunkhwa.
5. The Principal Secretary to Governor, Khyber Pakhtunkhwa.
6. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa.
7. All Divisional Commissioners in Khyber Pakhtunkhwa.
8. All Deputy Commissioners in Khyber Pakhtunkhwa.
9. The Registrar, Peshawar High Court, Khyber Pakhtunkhwa.
10. The Secretary, Provincial Assembly, Khyber Pakhtunkhwa, Peshawar
11. The Registrar, Khyber Pakhtunkhwa Service Tribunal Peshawar.
12. The Secretary, Khyber Pakhtunkhwa Public Service Commission, Peshawar.

Subject: **RELEASE POLICY FOR FINANCIAL YEAR 2025-26**

Dear Sir,

I am directed to refer to the subject noted above and to state that budget allocated under Current & Development Expenditure, both Provincial and Local Government including Merged Districts are hereby released, as per breakup given below:

**(A) DEVELOPMENT EXPENDITURE:**

TYPE OF SCHEMES	FUNDS RELEASE METHODOLOGY
1. Ongoing approved schemes	The allocated funds will be released to development schemes in each sector, on recommendation of Planning & Development Department, proportional to their share in ADP 2025-26. A total of <b>20%</b> of the allocated funds will be released to ongoing schemes in the 1 <sup>st</sup> Quarter and subsequent releases shall be made @ <b>25% each in 2<sup>nd</sup> and 3<sup>rd</sup> Quarter</b> and the balance <b>30%</b> funds will be released in the last Quarter of the FY 2025-26 subject to availability of resources.
2. New schemes	The allocated funds will be released to each development schemes in each sector proportionate to their share in ADP 2025-26 on recommendation of Planning & Development Department. <b>20%</b> of the allocated funds of new schemes of each sector will be released on production of Administrative Approval (AA). Remaining funds for such schemes will be released @ <b>25% each in 2<sup>nd</sup> and 3<sup>rd</sup> Quarter</b> and the balance <b>30%</b> funds will be released in the last Quarter of the FY 2025-26 subject to availability of resources.
3. Schemes with 'R' status in ADP 2025-26	Funds will be released to the schemes of ' <b>R</b> ' status in ADP 2025-26 on the basis of notified Revised Administrative Approval.

- i. No intra-sectoral re-appropriations shall be made during first two quarters of the financial year 2025-26.
- ii. After two quarters of the FY 2025-26, Intra-sectoral re-appropriations will be allowed to Administrative Departments. Administrative departments will recommend to Finance Department for punching the intra-sectoral re-appropriations.

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- iii. **No Inter sectoral re-appropriation shall be made till last quarter of FY 2025-26.**
  - iv. No re-appropriations shall be made from flagship schemes (as notified by Planning & Development Department) and due for completion (DFC) schemes.
  - v. District wise complete breakup of the umbrella schemes shall be provided by the Department within one week after release of funds to enable Finance Department to punch it in SAP system.
  - vi. The funds allocated under the FPA and PSDPs schemes shall be released on the demand of the Department concerned.
  - vii. Funds for all the development schemes shall be released and punched in the SAP system only by the Finance Department as per their proportionate allocation in ADP 2025-26.

**(B) CURRENT EXPENDITURE – PROVINCIAL**

S#	OBJECTS	FUNDS TO BE RELEASED
1.	• Salary and Pension* ( <i>except Honoraria which shall be released on case-to-case basis</i> )	100%
2.	• Electricity • Sui Gas Charges • Advertisement Charges (Current side only)	100%
3.	Rest/Others (excluding GIA)	25%
4.	Purchase of Physical Assets	On case-to-case basis
5.	Maintenance & Repair **	
6.	Food Security Net & Social Safety Net	
7.	Medical Teaching Institutions (MTIs)	25%
8.	Funds at the disposal of Finance Department	Release on case-to-case basis through re-appropriation as per Guidelines contained in Finance Department's circular letter No. BO. I/FD/5-17/2014 - 15 dated 12/06/2015

**NOTE:**

1. **Medical Charges\*:-** The funds released under object A01274-Medical Charges shall be utilized by the concerned sanctioning authorities only upto the limit of medical re-imbursement claims i.e Rs.30,000/- where verification / authentication by Director General, Health Services, Khyber Pakhtunkhwa is not required under the prevailing rules/policy instructions. The incurrence of expenditure against the remaining claims shall be authorized by Finance Department on case-to-case basis as usual subject to fulfillment of all codal formalities.
2. **Maintenance & Repair \*\*:** The funds allocated for Civil Works and Machinery & Equipment including Public Health Engineering & Irrigation, maintenance and repair of Roads, Highways, Bridges and Buildings, will be released on case-to-case basis with the approval of competent forum and issuance of Administrative Approval.
3. **Release of Withheld Budget:** - The withheld budget under Current Expenditure (Provincial) will be released in subsequent quarter of current financial year subject to availability of financial resources. The demands for earlier release of withheld budget will be entertained subject to utilization of previous release and justification(s) provided by the Administrative Department concerned.
4. **Grants-in-Aid:** - Grants-in-Aid will be released on case-to-case basis as per prevailing Law, rules and policy/instructions.

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5. **Purchase of Physical Assets:** - The allocated budget will be released based on the Procurement Plan to be provided by the Department wherever applicable.

6. **Good Governance Initiatives:** - The allocated budget will be released on case-to-case basis.

(C) **DEVELOPMENT & CURRENT EXPENDITURE – LOCAL GOVERNMENTS**

i. **DEVELOPMENT EXPENDITURE (LOCAL GOVERNMENT)**

Development share of Local Governments Development Funds shall be transferred to respective Local Governments on quarterly installment basis. However, release of remaining quarter of development funds shall be subject to the 60% utilization of the already released amount of 1<sup>st</sup> quarter of all Tehsil Local Governments and VCs/NCs.

ii. **CURRENT EXPENDITURE (LOCAL GOVERNMENT)**

SR.#	GRANT	FUNDS TO BE TRANSFERRED
1.	Salary	On monthly installment basis subject to adjustment of balance available from previous month.
2.	Non-salary	On quarterly installment basis subject to availability of financial resources.


(D). **GRANT TO LOCAL COUNCILS**

SR.#	GRANT	FUNDS TO BE TRANSFERRED
1.	TMA	On quarterly installment basis subject to availability of financial resources.
2.	Grant to VCs/NCs	
3.	Cantt: Board	

(E). **URBAN IMMOVABLE PROPERTY TAX**

UIPT shall be transferred to respective Development Authorities/TMAs on quarterly basis. During 1st quarter, the amount transferred may be based on provisional estimates. Any adjustments may be made to these amounts in the following quarter based upon actual collections.

Yours faithfully,

  
BUDGET OFFICER-I 11/07/25.

**Endst: No. and date even:**

Copy forwarded for information and necessary action to the:

1. Accountant General, Khyber Pakhtunkhwa, Peshawar.
2. All Heads of Attached Departments in Khyber Pakhtunkhwa.
3. All Heads of Autonomous/Semi-Autonomous Bodies in Khyber Pakhtunkhwa.
4. Military Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Divisional Controller of Accounts / District Accounts Officer, Khyber Pakhtunkhwa.
6. Director FMIU, Finance Department with the request to upload it in the Web Portal of Finance Department.
7. Budget Officer II-XI, Coord/PAC, W&M, Funds/Loans, PFC I&II & NMAs I-IV, Finance Department.
8. Section Officer (Dev. I-VII), Finance Department.
9. Private Secretary to Advisor to Chief Minister on Finance, Khyber Pakhtunkhwa.
10. P.Ss to Finance Secretary/Special Secretary Finance (Budget/Admin & Revenue), Khyber Pakhtunkhwa.
11. P.As to Addl: Finance Secretaries (I & II/PFC), Khyber Pakhtunkhwa.
12. P.A to Director, FMIU, Finance Department.
13. P.As to Deputy Secretaries (Budget I-VII), PFC/Ways & Means, NFC/Revenue, NMAs I-III Finance Department.

  
BUDGET OFFICER-I 11/07/25.