

POF LOAN SCHEME

Chairman POF Board has approved POF loan scheme for POF Employees (Staff & Workmen BS-1 to 15) w.e.f. 01-01-2008.

1. Amount of Loan

- i. Maximum limit of loan per loanee will be upto Rs.30,000/-.
- ii. The loan's amount of Rs.35.00 million has already been distributed among PCA i.e. Controlling Officers of Factories/Departments of POF according to their effective strength on 07.11.2007 as per following: -

Sr. #	Factories/Groups	Strength	Previous Allocated Vacancies	Additional Allocated Vacancies	Additional Allocated Amount	Total Amount
1.	POF Board	88	3	1	30,000	105,000
2.	Admin & HRM	1,013	45	15	450,000	1,575,000
3.	Services	1,924	87	29	870,000	3,045,000
4.	P & S	480	24	7	210,000	810,000
5.	MIS	58	3	1	30,000	105,000
6.	Exports Division	13	1	0	10,000	35,000
7.	QA & ISI	49	2	1	30,000	80,000
8.	R & D	40	2	1	30,000	80,000
9.	ML & TD	124	6	2	60,000	210,000
10.	DCW	81	5	1	30,000	155,000
11.	FIU (Gate Staff)	289	13	4	120,000	445,000
12.	POF Hospital	301	28	5	150,000	850,000
13.	POFIT	122	5	2	60,000	185,000
14.	MAA Fy	2,250	96	34	1,020,000	3,420,000
15.	B & G Fy	1,165	57	18	540,000	1,965,000
16.	Carbide Fy	101	4	1	30,000	130,000
17.	Clothing Fy	865	35	13	390,000	1,265,000
18.	Explosives Fy	2,030	85	31	930,000	3,055,000
19.	Filling Fy	1,236	59	19	570,000	2,045,000
20.	Gadwal Fy	1,250	54	19	570,000	1,920,000
21.	TA Fy	97	5	1	30,000	155,000
22.	MG Fy	505	24	8	240,000	840,000
23.	SAA Fy	1,829	82	28	840,000	2,890,000
24.	Brass Mills	853	38	13	390,000	1,340,000
25.	Weapons Fy	1,368	69	21	630,000	2,355,000
26.	POF Havelian	1,446	60	22	660,000	2,160,000
27.	POF Sanjwal	2,376	108	36	1,080,000	3,780,000
	Total: -	21,953	1,000	333	10,000,000	35,000,000

2. Service / Documentation Charges

3. Service / Documentation charges on each loan @4.8% per annum has been stopped by the Competent Authority, however, it will only be recovered as late surcharge from those officers who will deposit installation after 10th of each month.

4. Loan Terms

Recovery of monthly installment would be of Rs.500+4.8% service/documentation charges per annum. Monthly recovery rates would thus be as follows: -

Loan	Recovery
Rs.30,000/-	Rs.620/- p.m.
Rs.25,000/-	Rs.600/- p.m.
Rs.20,000/-	Rs.580/- p.m.
Rs.15,000/-	Rs.560/- p.m.
Rs.10,000/-	Rs.540/- p.m.
Rs.5,000/-	Rs.520/- p.m.

5. Eligibility for loans

- i. Only employees of BS-1 to 15 having clean/good record with at least 5 years service and age upto 55 years are eligible (extendable beyond 55 years if they give undertaking to permit recovery of balance amount form their final dues after retirement.
- ii. Second time loan will be allowed subject to the availability of fund, if first loan is repaid fully and no fresh applicant is in waiting list.

6. Recovery of loan

- i. The recovery will be made through HBL for remitting into POF Loan Scheme account.
- ii. On the transfer of loanee to other factory/unit of POF, detail of loan granted, recovery made and outstanding balance of loan will be intimated/notified by the factory concerned to avoid the interruption in the recovery of loan.
- iii. On the finalization of recovery of loan granted to an employee, intimation will be given to the Main Finance by the concerned factory to reconcile the records maintained at their end.
- iv. A list of the defaulters will be published biannually and severe action will be taken against the defaulters as decided by the Loan Sanctioning Authority with the approval of the Chairman POF Board.

7. Security

- i. Undertaking of the loanee for recovery of monthly installments from his pay & allowances will be given by the respective cash offices for remitting into POF Loan Scheme Account.
- ii. Undertaking will also be given by the employee for lump sum recovery of total outstanding balance plus service charges in case of ending of service for any reason.

8. Maintenance of Accounts

- i. Director Admin will be custodian of the scheme, while all PCAs will be responsible for entire implementation of scheme and maintenance of account at their end. Director Admin will arrange quarterly audit of PCAs accounts.
- ii. The record of the loan of each employee will also be maintained in cash office of the concerned PCAs, and the report regarding the recovery and grant of loan will be submitted to MIS and Director Admin by 15th of every month. PCAs will retain principal recovered amount with them for awarding of fresh loan on quarterly basis. However, services charges will be deposited by them with A.M. Main Finance for refund of loan from Chairman Special Fund, on monthly basis by 20th of every month.
- iii. Monthly bank reconciliation statement will be prepared by PCAs and Director Admin.
- iv. IT Deptt will maintain a central record of all loans and their recoveries on the basis of information sent to them by all the PCAs on monthly basis.

9. Competent Authority

All PCAs (Controlling Heads of the Factories/Departments) will be the final competent authority of sanctioning the loan in the lights of prescribed eligibility for loan.

10. Committee

The committee of the following will be constituted by the Head of the Factory/Department for recommending the applicants for drawing loan of Staff / Workmen received through respective GM. The Committee will verify applications with their recommendation for the sanction/approval of the Managing Director/Head of Department. The meeting of the committee will be held monthly to take aforesaid sanction on the applications received during the previous month: -

M. D./Director/Controlling Officer ...	President
Manager Admin ...	Member
A. M. Welfare ...	Member (He will also act as Secy of the committee)

POF LOAN SCHEME – OFFICERS (BS-16 TO BS-20)

Chairman POF Board has approved POF Loan Scheme for officers (BS-16 to BS-20) w.e.f 01-12-2012: -

Amount of Loan

i. Maximum limit of loan per loanee is as under:

Category	Amount of Loan
BS 16	150,000
BS 17-18	200,000
BS 19-20	250,000

ii. Total loan's amount of Rs. 25.00 million will remain in Main Finance for distribution among the officer (BS-16 to 20) as per following allocated vacancies according to their effective strength on 01-07-2012:

Category	No. of vacancies
BS-16	90
BS 17-18	45
BS 19-20	10

Moreover, it is further added that number of vacancies have approved with flexibility that if there is no one on waiting list for a category, the vacancies could be shifted to other categories.

1. Service/Documentation Charges

Service / Documentation charges on each loan @4.8% per annum has been stopped by the Competent Authority, however, it will only be recovered as late surcharge from those officers who will deposit installation after 10th of each month.

2. Loan terms/ Payback period

i. The loanee will give option for his monthly recovery from any of the following schedules:

BS-16 Officers

25 months Recovery Schedule 40 months Recovery Schedule 50 months Recovery Schedule

Principal	Surcharge	Total	Principal	Surcharge	Total	Principal	Surcharge	Total
6000	600	6600	3750	600	4350	3000	600	3600

BS-17-18 Officers

25 months Recovery Schedule 40 months Recovery Schedule 50 months Recovery Schedule

Principal	Surcharge	Total	Principal	Surcharge	Total	Principal	Surcharge	Total
8000	800	8800	5000	800	5800	4000	800	4800

BS-19-20 Officers

25 months Recovery Schedule 40 months Recovery Schedule 50 months Recovery Schedule

Principal	Surcharge	Total	Principal	Surcharge	Total	Principal	Surcharge	Total
10000	1000	11000	6250	1000	7250	5000	1000	6000

ii. Officers who are exempted to pay service charges are also allowed to refund their interest free loan in 25/40/50 installments.

3. Eligibility for Loan

- i. Only Officers of BS-16 to BS-20 having clear/good record with at least 5 years service for newly inducted BS-17 officers and age upto 55 years are eligible (extendable beyond 55 years if they give undertaking regarding payback time before retirement).
- ii. Applicant applying first time will be, given preference to those applicants applying second time. Second time loan will be provided if there is no officer left in waiting list.
- iii. Opening of HBL at Work Account at HBL Wah Cantt Branch only and subsequent shifting of monthly salary into HBL is a pre-requisite for desiring officers under amended scheme.

4. **Recovery of loan**

- i. The amount of monthly recovery will be deposited by the old loanee, whom loan was granted before 1st November 2017, in POF Loan Scheme's Account directly to the bank; the bank deposit slip will also be submitted to Main Finance Office accordingly.
- ii. Defaulters of 3 installments will be brought into notice of their controlling heads for recovery following which a list of the defaulters will be published bi-annually and strict action will be taken against defaulters with the approval of Chairman POF Board.
- iii. Additional default surcharge @5% per month will continue to be levied for late return of loan as "Penalty"
- iv. In case of death of an employee during service, un-paid balance amount of loan to be waived off and said amount will be transferred to respective Loan Scheme Account out of Chairman Special Fund upon intimation from concerned Fy/Group.

5. **Security**

- i. Undertaking will also be given by the loanee for lump sum recovery of total outstanding balance plus service charges in case of ending of service for any reason.
- ii. Surety/Guarantee of an officer regarding outstanding amount of loan in case of defaulter.

6 **Maintenance of Accounts**

- i. Director Admin will be custodian of the scheme and subject account.
- ii. The record of the loan of each loanee will also be maintained in Main Finance Office and MIS. Service charges will be deposited into same account.
- iii. A summary of the POF Loan Scheme will also be submitted on bi-annual basis by IT Deptt for perusal/information of Chairman POF Board.
- iv. MIS will maintain a central record of all loans and their recoveries.

7 **Competent Authority**

Chairman POF Board.

8 **Committee**

Dy Director Admin will scrutinize the applications and will obtain approval of competent authority for the said loan.

APPLICATION FORM FOR POF OFFICER LOAN SCHEME

PART-I

1. Name of officer (in block letters)_____.
2. Designation, Group/Factory_____
3. Pl. # _____
4. Date of Induction in POFs. _____
5. Date of superannuation_____
6. Amount of loan desired_____

(Signature of applicant)

SURETY/GUARANTEE

I hereby assure to deposit outstanding amount of loan in case applicant becomes defaulter.

Name _____
Desig. _____
Pl. # /Group _____

PART-II

Part-I is hereby verified.

Dated: _____

Manager HRM

PART-III

Recommendation of the committee

Subject loan is recommended/ not recommended for the applicant.

Director Admin

Dy Director Admin

A P P R O V E D

Chairman POF Board
(Competent Authority)

GRANT OF LOANS AND ADVANCES TO THE EMPLOYEES OF POF, CMA AND FA(OE) DEPARTMENTS.

- Grant of loans and advances are received in instalments from MoDP
- Department wise applications are invited notifying DO Pt-I
- Balloting is arranged, list of successful applicants is notified, amount is claimed from CMA (POF) through contingent bills.

➤ **Terms & conditions are given below:-**

A) HOUSE BUILDING ADVANCE:

- i) Individuals who had applied previously but were not sanctioned the said advance should apply afresh.
- ii) 2nd House Building Advance is admissible to eligible employees for constructions of a house anywhere in Pakistan subject to the condition that first house building advance plus interest thereon has been repaid.
- iii) The applicant should be permanent Govt. servant. However, temporary Govt servants having at least 10 years service at their credit can also apply.
- iv) In accordance with the existing Govt orders, the advance will be admissible only to those who are less than 49 years of age as per detail given below:-

a.	BPS-1 to 9	Strength Upto 500	One application from Workman Cadre. One application from other than Workmen Cadre.
		Strength Upto 1000	Two applications from Workman Cadre. One application from other than Workmen Cadre.
		Strength Upto 1500	Three applications from Workman Cadre. One application from other than Workmen Cadre.
		Strength more than 1500	Four applications from Workman Cadre. One application from other than Workmen Cadre.
b.	BPS-10 to 15	=	One application.
c.	BPS-16 & above	=	One application from each factory/group and one application from allied depts.

- v) The advance so sanctioned will be recovered in 120 monthly instalments without interest from employees in BPS-1 to 15, whereas officers in BPS-16 & above will pay back the amount in 120 monthly instalments with compound interest accrued thereon as fixed by the Govt. except, who are not in receipt of interest on their GP Fund.

B) MOTOR CAR ADVANCE @ Rs. 450,000/- PER HEAD.

- i. Only regular officers of BS-17 & above (not on contract) may apply.
- ii. Comprehensive/third party insurance shall be required for the vehicle to be purchased from the advance.
- iii. In case of demise/retirement/removal from service of official, the outstanding amount shall be recovered from the gratuity, pension or other dues payable to his nominee or heirs.

- iv. The sanctioned amount will be recovered in 60 installments, including compound interest as fixed by the Govt from time to time except in case of employees who are not in receipt of interest on their GP Fund.
- v. Applications to be submitted on the prescribed Form No PAFZ-2160.
- vi. Only one application from each factory/group.

C) MOTOR CYCLE ADVANCE @ Rs. 75,000/- PER HEAD.

- i. Only employees of BS-05 to 16 may apply.
- ii. The amount sanctioned will be recovered in 60 installments, including compound interest as fixed by the Govt from time to time except in case of employees who are not in receipt of interest on their GP Fund.
- iii. Applications to be submitted on prescribed form No. PAFZ-2160.
- iv. Only one application from each factory/group.

D) BICYCLE ADVANCE @ Rs. 7000/- PER HEAD.

- i. Only employees of BS-01 to 04 may apply.
- ii. The amount sanctioned will be recovered in 30 installments
- iii. Applications to be submitted on proforma circulated vide Annex to DO Pt-1 # 283, dt 19-10-2004.
- iv. Only one application from each factory/group.

INTEREST RATES FOR ABOVE ADVANCES

- Compound Interest as per the percentage of G.P.Fund interest.
- Compound Interest on House Building Advance is applicable for BS-16 & above
- No Interest on House Building Advance/Bicycle Advance for BS-1 to 15.
- Compound Interest on Motor Car Advance & Motorcycle is applicable for all grades.

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- v. Applications to be submitted on the prescribed Form No PAFZ-2160.
- vi. Only one application from each factory/group.

C) MOTOR CYCLE ADVANCE.

- i. Only employees of BS-05 to 16 may apply.
- ii. The amount sanctioned will be recovered in 60 installments, including compound interest as fixed by the Govt from time to time except in case of employees who are not in receipt of interest on their GP Fund.
- iii. Applications to be submitted on prescribed form No. PAFZ-2160.
- iv. Only one application from each factory/group.

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