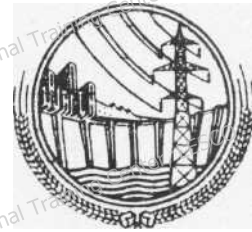


**Directorate of Rules (S&GA) WAPDA  
Publication No. 10  
VI (Edition)**

**PAKISTAN  
WATER AND POWER  
DEVELOPMENT AUTHORITY**



**RULES REGULATING THE GRANT OF ADVANCES  
FOR THE PURCHASE OF  
MOTOR CAR/MOTOR CYCLE/SCOOTER/CYCLE,  
1962**

**(AS AMENDED UPTO 01-06-2001)**

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

Telephone: 65051 to 65064

Telegrams: WAPDA LAHORE

No. OB-5 (2) A&L/265

Sunny  
View,  
Kashmir Road,  
Lahore  
January  
16, 1962

**OFFICE ORDER**

The Pakistan Water and Power Development Authority has framed Rules regulating the grant of advances for the purchase of Motor Car/Motor Cycle/Scooter/Cycle. Annexure 'A' which are circulated for general information.

PA. 0 Brian  
Secretary  
Wapda.

**RULES REGULATING THE GRANT OF ADVANCES FOR THE  
PURCHASE OF MOTOR CAR/MOTOR CYCLE/SCOOTER/CYCLE, 1962**

In exercise of the Powers conferred vide Rule 18 of the Pakistan Water and Power Development Authority Act, 1958, the Water and Power Development Authority has been pleased to make the following Rules for the grant of advances for the Purchase of Motor Car/Motor Cycle/Scooter/Cycle. These Rules shall come into force at once:—

1. In these rules, unless there is anything repugnant in the subject or context:—

(i) "Authority" means the Pakistan Water and Power Development Authority established under the West Pakistan Water and Power Development Authority Act, 1958;

(ii) "Government" means the Government of West Pakistan or the Central Government of Pakistan, as the case may be;

(iii) "Member" means the Member of the

Authority; (iv) "Employee" means—

(a) a regular employee of Wapda;

(b) an employee transferred to the Authority along with the project or along with the Electricity department other than those employed on the temporary basis;

(c) an employee of the Government on deputation to, or under the administrative control of the Authority;

(d) a retired Government Servant re-employed by the Authority for a specified period.

\* 2. (i) An advance may be given only when the Authority considers that it is in the interest of the Authority that the employee should use a Motor Car/ Motor Cycle/Scooter or Cycle in the discharge of his duties. Advances may be granted to such employees as are compelled in the course of their official duties to do much touring or to make frequent journeys at short notice or where the saving of time is important.

(ii) An employee, though covered by provision in clause (i) above but not in receipt of a pay of Rs. 3765 per mensem is not entitled to Motor Car advance unless in any special case the official duties and the legitimate financial resources warrant the maintenance of a conveyance and the prior approval of the Authority obtained.

(iii) The total amount of advance that can be made to the employees shall be as Under:—

\*\* (a) **Bicycle Advance**

On pay upto Rs. 1950 per month = Rs. 2000

(b) **Motor Cycle/Scooter Advance**

On pay between Rs. 1951 to 5084 - Rs=35000

(c) **Motor Car Advance**

On pay of Rs. 5085 per month and above - Rs. 1,00,000

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- Substituted Vide O.M No. G.M (A)/DD( R)/07456/7/II/1554-2673, Dated 4-1-1988
  - \*\* Substituted Vide O.M.No. DG(S&GA)/DD (R)/07456/7/II/52838-54038 dated 1-11-95

- (iv) The amount of advance shall be suitably reduced in the case of the employee who has been re-employed or is on contract or who is due to retire and recoveries so arranged that the entire amount of advance, together with interest thereon, is repaid before the expiry of the contract or the retirement of the employee, as the case may be.
- (v) An application for the grant of an advance should be accompanied by the name, designation and full address of a surety, who should preferably be a permanent Government Employee acceptable to the Authority and the following certificate/documents:—
- (a) No Inquiry is pending against the borrower or surety.
  - (b) Surety is a man of means and capable of meeting his obligations in case borrower defaults.
  - (c) Permission of the competent authority for purchase of a Motor Car.
- (vi) At the time of sanction of the advance, the employee shall be required to execute the Bond in form given in Appendix 'A' on Non-judicial paper of the value notified by the Authority, from time to time in accordance with Stamp Act. No advance shall be sanctioned or drawn unless this Bond has been executed to the satisfaction of the Authority.
- (vii) An employee drawing the advance shall purchase the conveyance within one month from the date on which the advance is drawn. This time limit may, however, be relaxed by the Authority on the written request of the employee for reasons to the satisfaction of the Authority.
- (viii) On completing the purchase, the employee shall forthwith execute a mortgage deed hypothecating the conveyance to the Authority as security for the advance. The form of mortgage deed given in Appendix 'B' provides for insurance against fire, theft or accident with insurance company to be approved by the Authority, and assign the insurance policy with the Authority. The conveyance purchased will be considered to have been transferred to the Authority absolutely subject to the right of redemption by the employee. The hypothecation of the conveyance will be released on liquidation of the full amount due.
- (ix) Recovery of the sum advanced shall be made by deducting monthly installments equal to 1/60th part of Motor Car and Motor Cycle/Scooter advance, and 1/48th part of the Cycle advance from the pay bill of the employees concerned plus additional installment (s) on account of interest.

The recovery shall commence with the first issue of pay after the advance is drawn.

- (x) In the case of the Government employee ceasing to be on deputation to, or under the administrative control of the Authority, the outstanding monthly instalments of the principal, and the interest accrued thereon shall be recoverable from the pay bills of the official concerned through the department to which he reverts, failing which he shall be liable to pay the amount of balance due from him.
- (xi) If any of the installments of principal or interest shall not be paid or recovered in any manner aforesaid within ten days after the same are due or if the employee\*\* at any time ceases to be in the service of the Authority or the employee shall sell or pledge or part with the property or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution or any decree or judgment against the employee, the whole of the said principal sum which shall then be remaining due and unpaid together with interest there on calculated as aforesaid shall forthwith become payable in lump sum.

\* **Note:** Wapda employees who do not claim interest on their G.P. Fund/E.P. Fund Balances shall not be charged interest on the advances for purchase of Motor Car/Motor Cycle/Scooter/Cycle

- (xii) The Authority may, on the happening of any of the events hereinbefore mentioned, seize and take possession of the Motor Car/Motor Cycle/Scooter or Cycle and sell it either by public auction or private contract and may out of the sale money retain the balance of the said advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realizing its rights hereunder and shall pay the surplus, if any, to the borrower, his executors, administrators or personal representatives, provided that the aforesaid power of taking possession or selling of the Motor Car/Motor Cycle/Scooter or Cycle shall not prejudice the right of the Authority, to the employee or his personal representative) or surety for the said balance remaining due and interest or in the case of the Motor Car/Motor Cycle/Scooter or Cycle being sold the amount by which the net sale proceeds fall short of the amount owing.

\*\* (xiii) In case of death of an employee, the remaining amount of loan/advance may be written off by the authority competent to sanction loan/advance. The outstanding installments, if any, due before the death will not be written off.\*"

\*\*\***Note :** An employee who has already drawn an advance for purchase of Motor Car/Motor Cycle is eligible for another Motor Car motor Cycle advance provided he has repaid the previous advance plus interest thereon.

3. The advances for the purchase of Motor Car/Motor Cycle/Scooter and Cycle will be sanctioned by competent authorities indicated in Wapda Book of Financial Powers.

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\* Added vide O.M.No. S/DD (Rules)/07456/7/69271-70050 dated 8-9-1983.

\*\* Deleted/added vide O.M. No. DG (S&GA)/DD (R)/07456/13/II/27330-28591, dated 14-04-1993.

\*\*\* Added vide O.M. No. D/DD (R)/07456/7/II/52838-54038, dated 01-11-1995.

4. When the advance is drawn, the sanctioning authority shall furnish to the Manager Finance concerned a certificate that the agreement in Schedule 'A' has been signed by the employee and that it has been agreed and found to be in order.

5. The mortgage deed and other documents shall be kept in the safe custody of the Heads of Divisions or Departments who shall satisfy themselves that they are in proper form and properly executed. They shall not be released without a report from the paying officer that the advance has been fully repaid.

6. The Authority shall have the power to relax the above rules in special cases.

APPENDIX 'A'  
BOND

Whereas I, Mr..... S/o.....(hereinafter called the borrower, which expression shall include his legal representatives and assigns) presently employed as..... in the office of.....,has under the provision of the Rules regulating the grant of advance for the purchase of Motor Car/Motor Cycle/Scooter/Cycle (hereinafter referred to as the said Rules) which expression shall include any amendments thereof for the time being in force applied to the Authority for loan of Rs..... (Rupees..... )for the purchase of Motor Car/Motor Cycle/Scooter/Cycle and the Authority has agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained. NOW IT IS HEREBY AGREED between the parties hereto that in consideration of the sum of Rs..... (Rupees ..... ) paid by the Authority to the Borrower (the receipt of which the Borrower hereby acknowledges) the Borrower hereby agrees with the Authority, (1) to pay the Authority the said amount with interest calculated according to the said Rules by 48/30 equal monthly deductions from his salary as provided for by the said Rules and hereby, authorizes the Authority to make such deductions every month, starting with the first deduction to be made in the beginning of the month next after the date of these presents, (2) to expend the full amount of the said loan in the purchase of a Motor Car/Motor Cycle/Scooter/Cycle within one month from the date hereof or if the actual price paid is less than the loan to repay the difference to the Authority forthwith, (3) immediately on the said purchase to execute a document hypothecating the said Motor Car/Motor Cycle/Scooter/Cycle to the Authority as security for the amount lent hereunder together with interest at the rate from time to time fixed for the purpose by the Authority and (4) immediately to insure and keep the Motor Car/Motor Cycle/Scooter insured at his own cost with an insurance company approved by the Authority in an amount not less than the amount outstanding for the time being hereunder and for the entire duration hereof and to assign each such policy to the Authority in the form given in Appendix "C" AND IT IS HEREBY LASTLY AGREED AND DECLARED THAT if the Motor Car/Motor Cycle/Scooter/ Cycle has not been purchased hypothecated and insured as aforesaid or if the Borrower while any amount hereunder is still due, becomes insolvent or quits the service of the Authority or dies or allows the insurance to lapse, the whole or the outstanding balance of the amount of the loan and interest accrued thereon shall immediately become due and payable from him, his personal representative, his surety or through insurance cover, as the case may be, or if the borrower is a Government servant and ceases to be on deputation to, or under the administrative control of the Authority, the outstanding balance of the amount of the loan and interest accrued thereon, shall be recoverable from the pay bills of the borrower through the Department to which he reverts, failing

which he shall be liable to pay the amount thereof. Should the entire amount due from the borrower be not realized by monthly deductions as agreed under Clause I hereof it shall be payable in a lump sum by him, his personal representative, his surety or through insurance cover.

Provided always that the borrower will be entitled to prepay the loans by lump-sum payment before due time, and the Authority after the receipt of the loan will have no objection to release the hypothecated Motor Car/Motor Cycle/Scooter/Cycle on application.

1. Whereas I, Mr..... son of ..... a resident of ..... in the district of ..... at present employed as ..... in the.....Department/Office (hereinafter called "The Surety") am firmly bound to the Pakistan Water and Power Development Authority, Wapda House, Lahore (hereinafter called the Authority) in the sum of Rs ..... together with interest thereon for which payment to be well and truly made, I hereby bind myself my heirs, executors, administrators and representative by these presents sealed with my seal this.....day of .....

2. Whereas ..... the son of..... resident of..... in the district of..... at present employed as a ..... in the.....Department/Office (hereinafter called the Borrower), has at his own request, been granted by the Authority a loan of Rs..... for the purchase of Motor Car/ Motor Cycle/Scooter/Cycle for his own use and that the said borrower has undertaken to repay the said amount in 48/30 equal monthly installments of .....each, with interest at the rate from time to time fixed for the purpose by the Authority.

3. Now the condition of this obligation is such that if the said borrower shall, while employed in the said.....Department/Office duly and regularly pay or cause to be paid to the Authority the amount of the loan aforesaid by installments with interest on the whole of such amount as shall from time to time remain owing on the first day of each calendar month, the first payment to be made on the.....day of..... 19 until the said sum of Rs ..... together with interest thereon, shall *he* fully paid, then this bond shall be void otherwise the same shall be and remain in full force. And in case the borrower shall die or become insolvent or at any time ceases to be in the service of the Authority, the whole of so much of the said principal sum of Rs ... as shall then remain unpaid, together with interest, which shall have accrued thereon, shall immediately become due and payable to the Authority and be recoverable from the surety in one instalment by virtue of this bond.



IN WITNESS whereof, the parties hereto have set their hands hereunto the day and the year below written.

Dated the \_\_\_\_\_ day of \_\_\_\_\_

19

(Name, Designation and full address of the Borrower)

Signature of Surety  
(Name, Designation and full address of the Surety).

Signed in the presence of

Witness 1.  
Name and full address

Signed in the presence of

1. Name  
Occupation  
Name and Full address

Witness 2.

**Schedule of specification :**

Purchased on ..... from.....  
for (purchase price).....  
Mortgage Deed executed on.....  
Insured with Messrs.....  
Vide Policy No . ..... dated.....  
(Borrower)

**APPENDIX 'B'**  
**PAKISTAN**  
**WATER AND POWER DEVELOPMENT AUTHORITY**  
**PLEDGE FOR MOTOR CAR/MOTOR CYCLE/SCOOTER/CYCLE ADVANCE**

"THIS INDENTURE made this..... day of ..... one thousand nine hundred and.....**BETWEEN** ..... (hereinafter called "The Borrower") of the one part and the Pakistan Water and Power Development Authority (hereinafter called "The Authority") of the other part.

WHEREAS the Borrower applied for and has been granted an advance of Rupees ..... to purchase a Motor Car/Motor Cycle/Scooter/Cycle, on the terms contained in the Rules regulating the grant of advance for the purchase of Motor Car/Motor Cycle/Scooter/Cycle (hereinafter referred to as the said Rules which expressions shall include any amendments thereof or addition thereto for the time being in force AND WHEREAS one of the conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will/would pledge the said Motor Car/Cycle to the Authority as security for the amount lent to the BORROWER AND WHEREAS the Borrower has purchased with or partly with the amount to advanced as aforesaid the Motor Car/Motor Cycle/Scooter/Cycle particulars whereof are sent out in the Schedule hereunder written.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay to the Authority the sum of Rs ..... aforesaid or the balance thereof remaining unpaid at the date of these present by equal payments of Rs ..... each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated at the .rate from time to time fixed for the purpose by the Authority and the Borrower doth agree that such payment may be recovered by 48/24 monthly deductions as provided for in the said rules from his salary and in further pursuance of the said agreement the Borrower doth hereby assign and transfer unto the Authority the Motor Car/Motor Cycle/Scooter/Cycle the particulars whereof as set out in the schedule hereunto written by way of security for the said advance and interest thereon as provided for in the said rules.

And the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor Car/Motor Cycle/Scooter/Cycle and that the same is his absolute property and that he has not pledged and so long as any money remain payable to the Authority in respect of the said advance will not sell pledge or part with the property in or possession of the said Motor Car/Motor Cycle/Scooter/ Cycle PROVIDED ALWAYS and it is hereby

Agreed and declared that if any of the said installments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in the service of the Authority or if the Borrower shall sell or pledge or part with the property in or possession of the said Motor Car/Motor Cycle/Scooter/Cycle or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings In execution of any decree or judgment against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable by him, his personal representative, his surety or through insurance cover, AND IT IS HEREBY AGREED and declared that the Authority may on the happening of any of the events hereinbefore mentioned seize and take possession of the said Motor Car/Motor Cycle/ Scooter/Cycle and either remain in possession thereof without removing the same or else may remove and sell the said Motor Car/Motor Cycle/Scooter/Cycle either by public auction or private contract and may out of the sale money's retain the balance of the said advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs charges, expenses and payments properly incurred or made in maintaining defending or realizing his rights hereunder and shall pay over the surplus, if any to the Borrower his executors, administrators or personal representatives PROVIDED FURTHER that the aforesaid power of taking possession or selling of the Motor Car/Motor Cycle/Scooter/Cycle shall not prejudice the right of the Authority, to sue the Borrower or his personal representative(s) (or surety) for the said balance remaining due and interests or in the case of the Motor Car/Motor Cycle/Scooter/Cycle being sold the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long- as any moneys are remaining due and owing to the Authority he, the Borrower, will insure and keep insured the said Motor Car/Motor Cycle/ Scooter/Cycle against loss or damage by fire, theft, or accident and assign the insurance Policy to the Authority and accident with an Insurance Company to be approved by the Authority will produce evidence to the Authority, that the Insurance Company with whom the said Motor Car/Motor Cycle/Scooter/Cycle is insured have received notice that the Insurance policy has been assigned by him to the Authority and that the Authority is interested in the Policy AND the Borrower hereby further agrees that he will not permit or suffer the said Motor Car/ Motor Cycle/Scooter/Cycle to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident happening to the said Motor Car/Motor Cycle/Scooter/Cycle the Borrower will forthwith have the same repaired and make good at his own cost,

IN WITNESS whereof the said..... (Borrower) hath hereunto set his hand the day and the year first above written.

**THE SCHEDULE**

**Description of Motor Car/Motor Cycle/Scooter/Cycle**

**Maker's name**

**Description**

**No. of Cylinders**

**Engine No.**

**Chassis No.**

**Cost Price**

**Signed by, the Borrower**

**In the presence of**

APPENDIX 'C

LETTER INTIMATING TO THE INSURANCE COMPANY THE AUTHORITY'S INTEREST IN INSURANCE POLICIES OF MOTOR CARS, ETC.

From.....  
To.....

Subject: INSURANCE POLICY NO.....  
IN RESPECT OF MOTOR CAR/MOTOR CYCLE/SCOOTER/CYCLE

Dear Sir,

This is to inform you that I have assigned the Insurance Policy mentioned above to the Pakistan Water and Power Development Authority, Wapda House, Lahore and that the said Authority is interested in the said Motor Car/Motor Cycle/Scooter/Cycle Insurance Policy secured in your Company and to request that you will kindly make a note of the fact in the records of the Company

Yours faithfully,

Place  
Date

Forwarded. The receipt of the letter may kindly be acknowledged. It is also requested that the undersigned may kindly be informed whenever any claim is paid under the policy and also if the premium is not paid periodically for renewal.

SECRETARY,  
PAKISTAN  
WATER AND POWER DEVELOPMENT  
AUTHORITY

**Annexure—I**

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

Telephone: 213  
Telegrams: Wapda Lahore

Wapda House,  
Lahore

No. SO (R) 5 (293) A&L/655

January 19,1971

**OFFICE ORDER**

**Subject: GRANT OF TWO OR MORE ADVANCES SIMULTANEOUSLY**

Instance have come to the notice of the Authority where WAPDA employees/Government deputationists who have already drawn an advance from the Authority for a specific purpose, have made requests for another advance-for a different purpose, e.g. employees who have already received a house-building loan have asked for an advance to buy a motor-car. This increases the liability of the borrowers and makes it difficult for them to repay two different monthly installments of substantial amounts.

It has, therefore, been decided by the Authority that henceforth no employee will be sanctioned a second advance (even for a different purpose) unless the advance already drawn by him has been repaid in full along with the interest.

Shafiq-ur-Rehman Khan  
Section Officer (Rules),  
for Secretary, Wapda.

Annexure—II

PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY

Telephone: 69911/208

Telegrams: WAPDA LAHORE

No. D/DD (Rules)/07456/23/890-378

309/PH. No. 27

Wapda House, Lahore

29th October, 1983

OFFICE MEMORANDUM

Subject: LOAN AND ADVANCES TO WAPDA EMPLOYEES

In supersession of the then Chief Accountant WAPDA, letter No. GAD-Misc/Policy/66-67/36134 dated 7-12-66 and this office letter No. SOR. 5 (236) A&L/4970 dated 1-7-67, the Authority is pleased to order that a WAPDA employee, who has NOT opted for WAPDA Pension Rules, 1977, or to whom these Rules are NOT applicable, should NOT be given any of the following advances unless he fulfils the conditions noted below:—

- |   |  |
|---|--|
| a. Advances for the purchase of Cycle, Scooter, Motor Cycle, and Motor Car. | He may have to his credit one-half (1/2) of the amounts of advance in his employees Provident Fund Account, including Authority's contribution.  |
| b. Advances for the construction/purchase of Houses/Plots.                  | He may have to his credit one-fourth (1/4) of the amount of advance in his Employees Provident Fund Account, including Authority's contribution. |

Distribution as per List "C"

(S. M. Kamal)  
Director (Rules) Wapda

**Annexure—III**

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

**Telephone: 320520-69911/270**

**Telegrams: Wapda Lahore**

**No. F.O. (B&F)/10-126/BSP-83/Vol-11/13663-862**

**B-32, Wapda House,**

**Lahore**

**Dated 24-9-1984**

**OFFICE MEMORANDUM**

**Subject: EXEMPTION FROM INTEREST ON HOUSE BUILDING ADVANCE, MOTOR  
CAR ADVANCE AND MOTOR CYCLE ADVANCE**

The undersigned is directed to refer to para 18 of this Division's O.M. No. F.O (R&I)/BSP-83/10-126/5 766-5966, dated 24-8-1983, on the above subject and to clarify that the concession mentioned in para 18 of the said O. M. is admissible in cases where the House Building Advance, Motor Car Advance and Motor Cycle Advance have been sanctioned on or after 1-7-1983 and no interest is claimed on G.P. Fund/E.P. Fund balances by the Wapda employees concerned on or after this date. Advances granted prior to 1-7-1983 will continue to be governed by the instructions, which were in force prior to that date.

**(A. RAOOF)**

**Director Finance (R&I),  
Wapda**

- cc—
- (1) All General Managers, Wapda
  - (2) All Chief Engineers, Wapda
  - (3) All Heads of Divisions, Wapda
  - (4) All Project Directors, Wapda
  - (5) Director General, Wapda Audit.



Annexure—IV

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

Telephone: 69911/300  
Telegrams: WAPDA LAHORE  
No. AD (S) 5 (749) A&L/8752-912

341-Wapda House,  
Lahore  
Dated 3-2-1985

**OFFICE ORDER**

Under the rules regarding the grant of advance for the purchase of Motor Car/Motor Cycle/Scooter/Cycle, an employee is required to mortgage the Conveyance purchased with the advance obtained from the Authority, in its favor, within One month of the drawl of the advance.

In case of advance for the construction of Houses/Purchase of Plots an employee is required to mortgage the property in favor of the Authority within four (4) months and one (1) month respectively from the date of payment of last installment.

It has been observed with concern that the instructions issued by the Authority from time to time on the above subject are not being followed, with the result that the Authority's financial interests are not adequately safeguarded.

Some of the more important rules on the subject have already been brought to the notice of all Heads of Divisions/Chief Engineers for guidance and strict compliance vide office order No. SAH. 5 (204)/A&L/6506, dated 2nd December 1965 (copy enclosed). (Annexure—V)

All concerned are, therefore, requested to implement the Authority's orders on the subject in letter and spirit, failing which the entire responsibility will rest with the Heads of Divisions.

Lt. Col. (Retd)  
(Abdul Jalil)  
Director (Services and Estates)

**Distribution**

All Heads of Divisions/  
Chief Engineers.

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

**(Copy)**

No. SAH. 5 (204) A&L/6506

December 2, 1965

**OFFICE ORDER**

It has been observed by the Authority that the Rules regarding grant of advances either for house building/purchasing or for the purchase of Motor Cars, Motor Cycles etc. are not being strictly followed, especially after these advances have been sanctioned by the competent authority, with the result that the Authority's financial interests are not adequately safeguarded. Some of the more important rules are therefore brought to the notice of all Heads of Divisions/Chief Engineers for guidance and strict compliance. These are:—

**(2) RULES GOVERNING THE GRANT OF ADVANCES FOR THE PURCHASE OF  
CONVEYANCE**

**Rule 2**

- (v) Under this rule, all direct Wapda employees are required to produce a Surety Bond, preferably from a permanent Government servant acceptable to the Authority, before the advance is drawn.
- (vi) Under this rule, an employee is required to execute an agreement in the prescribed form before the actual drawl of the advance.
- (vii) Under this rule, an employee is required to purchase the vehicle within one month from the date of drawl of the advance.
- (viii) Under this rule, an employee is required to mortgage, in favor of the Authority, the vehicle purchased with the advance obtained from the Authority, within one month from the date on which the advance was drawn. He should also ensure that the conveyance is insured for the entire period of the mortgage with one of the approved Insurance Companies. A letter to the Insurance Company indicating the Authority's interest in the policy is also to be obtained from the employee for transmission to the Insurance Company.

Office Order No. KGA 5 (2) A&L/A. (R)/842 dated February 9, 1965.

In case an employee does not fulfill the requirement of mortgaging the conveyance within one month from the date of drawal of the advance, his full pay of the next month after the expiry of the stipulated period should be stopped.

**(2) RULES REGARDING THE HOUSE BUILDING/PURCHASE ADVANCE**

**Rule 10**

Under this rule an employee is required to execute the agreement in the prescribed form before the actual drawal of the advance.

This rule further requires the employee to mortgage the house, within four months from the date of payment of last installment, in favor of the Authority.

**Rule 4 (b)**

Under this rule, on the expiry of three months from the date of the drawal of the advance, an employee is required to produce satisfactory evidence to show that the amount of the first installment has actually been utilized for the purpose for which it was obtained. The Competent Authority will also ensure that the drawal of subsequent installment is not unduly delayed simply to enable the employee to avail of the house rent concession which ceases to be admissible after the expiry of three months of the drawal of the last installment or from the date of completion of the house, whichever is earlier (Rule 7 refers)

Office Order No. SAQ. 5 (213) A&L/1965, dated April 24, 1965

If the employee does not mortgage the house within the stipulated period, his full pay should be stopped till he submits the Mortgage Deed.

Sd/- 2-12-1965  
(S. AKHLAQUE HUSSAIN)  
TQA, CSP,  
SECRETARY, WAPDA

**cc**

- (1) All Heads of Divisions
- (2) All Chief Engineers

**Annexure—VI**

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

Phones: 69911/300  
Grams: WAPDA LAHORE  
No. AD (S) 5 (750)/AL/4650947278

341, Wapda House,  
Lahore  
Dated: 10-6-1982

**OFFICE ORDER**

**Subject:-GRANT OF ADVANCES FOR THE CONSTRUCTION/PURCHASE OF  
BUILDING/MOTOR CAR/MOTOR CYCLE/SCOOTER AND CYCLE ETC.**

It has been decided that in future while submitting the cases for acceptance of agreements in respect of the grant of advance for the construction/purchase of Building/Motor Car /Motor Cycle/Scooter and Cycle etc. to WAPDA employees, a certificate should be furnished invariably stating that no previous loan is outstanding against the applicant and that the long term advance, if any, has been fully recovered.

2. No agreement will be acceptable without the above certificate.

(MAMOON R. ABBASI)  
Assistant Director (Services)  
for GM (Admn) WAPDA

Distribution  
As per List 'D'

**PAKISTAN WATER AND POWER DEVELOPMENT  
AUTHORITY**

Telephone: 69911/300  
Telegrams: Wapda Lahore  
No. D/AD (S) 5 (749)AL/41403-752

341-Wapda House, Lahore

Dated 17-4-1984

**OFFICE ORDER**

**Subject:-GRANT OF LONG TERM ADVANCES FOR THE CONSTRUCTION/  
PURCHASE OF HOUSES/PURCHASE OF MOTOR CAR/MOTOR CYCLE/  
CYCLE ETC.**

According to the Authority's decision General Manager (Admn) and Director (Estates and Services) are the competent authorities to accept Surety Bonds in respect of Long Term Advances. Funds for the grant of advances are sanctioned by the Authority at the beginning of the financial year but from the past experience it has been observed that requests from the employees for the grant of advances are processed almost at the end of financial year. Due to this reason, this office cannot process/scrutinize documents properly and at times funds are lapsed simply because of belated submission of documents by the concerned formations. The late processing of such cases is not only against the interest of Authority but also causes discontentment and hardships to the employees.

In view of the above, it is requested that cases for the grant of long-term advances should be processed and finalized well before the closing of financial year. The Documents/ Surety Bonds for acceptance should be forwarded to this office by 15th May, every year, at the latest. The cases which are received after due date will not be entertained.

This is issued with the approval of General Manager (Admn), Wapda.

Lt. Col. (Retd)  
(ABDUL JALIL)

Director (Services & Estates) Wapda  
for General Manager (Admn) Wapda

Distribution  
As per list 'C'

## ANNEXURE – VIII

### PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY

Telephones : 9202019/9202211/2330  
Telegrams : WAPDA LAHORE  
No. D/AD (S) 6502 (1)/41601-42251

ADMINISTRATION  
341-Wapda House, Lahore  
Dated : 10-11-1999

#### NOTIFICATION

Subject **-GRANT OF ADVANCE FOR CONSTRUCTION/PURCHASE OF HOUSE/PLOT AND PURCHASE OF CAR, MOTOR CYCLE/SCOOTER ETC.**

It has been observed that while Earmarking/Sanctioning Long Term Advances to Wapda employees, the pre-requisites are not checked by the dealing offices. In order to streamline the procedure and to avoid Audit objections at a later stage it is reiterated that the following requirements should be followed strictly before acceptance of applications:-

1. Application on the prescribed form along with Surety Bond on plain paper complete in all respects.
  2. Permission for Construction/Purchase of House/Plot and Purchase of Car/Motor Cycle/Scooter etc.
  3. No Enquiry Certificate against the applicant/Guarantors from Head of Office/Division.
  4. Man of Means certificates.
  5. No Long Term Advance Certificate.
2. After **earmarking** of loan to an employee the case should be submitted to this office along with following documents:-
1. Application for loan (complete set as detailed at Sr. No. 1 to 5 above) along with Surety Bond on Non Judicial Papers valuing 2% of the loan duly typed (photo copy is **not** acceptable). Applicant and guarantors must sign on every page of Surety Bond.
  2. Non encumbrance Certificate (in case of loan for Construction of House).
  3. Domicile Certificate
  4. Copy of Earmarking of funds.
  5. Sanction order of loan from the competent authority as prescribed in Book of Financial Powers, 1977 (Revised upto August, 1995).

3. In addition to above the applications duly completed in all respect are not received in time due to which the approval of competent authority can not be accorded well in time or the **earmarking** date has already expired or near to expire. To overcome these problems, it should be ensured that henceforth all such applications should reach in this office at least one month before the expiry of earmarking date or 15th May of the year which ever is earlier.
4. It has also been observed with concern by the General Manager (Admn) that after acceptance of the Surety Bond by the competent authority almost all the applicants fail to provide/submit the Mortgage Deed in favour of Wapda which is highly objectionable and warrants for an appropriate disciplinary action against the defaulters.
5. In order to improve the situation all the concerned officers/officals should follow the Authority's instructions issued from time to time on the subject in letter and spirit to avoid any complication at a later stage.

(Nasir Mahmood)

Director (Services & Estates) wapda

Distribution : As per List – C

It is requested that Notification may be circulated to lower formations for strict compliance.

ANNEXURE - IX

**PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY**

Telephone : 9202482  
Telegrams : WAPDA LAHORE  
No. F.O. (B&F)/37-53/5570-5769

Finance Division (Regulation) wanda  
225-Wapda House, Lahore

Dated 23-12-1999

**OFFICE MEMORANDUM**

Subject- **ADMISSIBILITY OF OPTION FOR CONVERTING NON-INTEREST BEARING G.P. FUND ACCOUNT OR VICE VERSA AND RE-MISSION/RECOVERY OF INTEREST ON LOAN (S).**

**Reference:-** This Division O.M. No. FO (R&I)/BPS-83/10-126/5766-5966, dated 24-8-1983.

As per Para-18 of this Division's O.M. dated 24-8-83 referred to above, a Wapda employee can avail the facility of interest free loan (s) such as House Building/Motor Car/Motor Cycle advances from Wapda, if he does not claim interest on his G.P. Fund balance.

2. A question has arisen as to whether a Wapda employee after availing interest free loan (s) on the basis of non-interest bearing G.P. Fund Account can change his option to claim interest on G.P. Fund account and if so to what extent the amount of interest on loan (s) is to be remitted/recovered.

3. The position has been reviewed in consultation with Finance Division (Reg. Wing) Govt. of Pakistan. As per Rule -12 (5) of Wapda Employees 'General Provident Fund Rules 1985, a Muslim Subscriber at his own free will can exercise option to have a non-interest bearing G.P. Fund accounts as well as can change his option to have interest bearing G.P. Fund account at any later or subsequent stage.

4. The change of option from non-interest bearing to interest bearing G.P. Fund Account however, involves the question of protection of interest on loan (s) drawn from Wapda. Keeping this purpose in view the following decision has been taken:

"Except for interest free cycle advance and house building advance admissible to Wapda Employees B-15 and below, all subscribers who opt not to claim interest on G.P. Fund account to avail interest free House Building, Motor Cycle or Motor Car Advance from Wapda, if subsequently, change their option into interest bearing G.P. Fund account either during or after the currency of the recovery of principal amount shall be charged the amount of interest on loan (s) equal to the difference between the amount of interest accrued on loan (s) and the amount of interest foregone on G.P. Fund account".

5. The above decision is effective from 1-7-1999 and is in line with the amendments issued by the Govt. of Pakistan Finance Division (Reg. Wing) Islamabad vide their O.M. No. F. 2 (I) R. 7/96-1103, dated 29-9-1999 and their even number dated 22-11-1999.

(Muhammad Jarjis)  
Director Finance (Regulation)  
Wapda



**PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY**

Phones : 9202046 &amp; 9202211/2332

Telex No. 44869 WAPDA PK

44236 WAPDA PK

No. DG (S&amp;GA)/D (Rules)/07456/14/II/12782-13431

Services & General Admn.  
332-Wapda House, Lahore

Dated : 13th April, 2001

**OFFICE MEMORANDUM**Subject:- **CLARIFICATION - LONG TERM ADVANCES**

This clarification is issued with reference to the question as under:-

- a. Mr. "A" has been granted Long Term Advance and on the other hand Mr. "B" has also been granted Long Term Advance. Can Mr. "A" become the Guarantor of Mr. "B" whereas the former is already borrower of the Authority?
- b. Can a WAPDA Employee become the Guarantor of the borrower in more than one case?

2. The mater has been examined in consultation with the Learned Legal Adviser, Chief Auditor WAPDA, and Director General Finance (B&C), and it is clarified that a WAPDA Employee in. both the cases illustrated above, can become guarantor of the borrower in more than one case provided that:

- a. All the three parties i.e. Creditor, Principal Debtor and Guarantor accept each others' overtures in such a contract. It will then become enforceable at law no matter the guarantor does not happen to possess "means" or conversely himself has received a long term advance;
- b. Guarantor remains a man of means and as such is able to meet the surety. This aspect will have to be considered in each case by the competent authority. The guarantor should be asked to disclose the particulars of other guarantees extended previously in other cases. The officers processing cases should also check if the guarantor has extended guarantees or himself is a borrower.

3. This issues with the approval of the competent authority.

(MUHAMMAD JUNAID AFZAL)  
Director General (S&GA)

**Distribution:**

1. As per list 'C'
2. GM(Finance) Power, with reference to his office diary No. 8318, dated 24-08-2000.