

Directorate of Rules (HR&A) WAPDA  
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**PAKISTAN  
WATER AND POWER  
DEVELOPMENT AUTHORITY**



**THE PAKISTAN WAPDA RULES  
REGULATING THE GRANT OF ADVANCES FOR THE  
CONSTRUCTION/PURCHASE OF HOUSES/PLOTS 1967**

(AS AMENDED UPTO JANUARY 2014)

**PAKISTAN  
WATER AND POWER DEVELOPMENT AUTHORITY**

No. S/SO(R).5 (227)A&L/3833

**Sunny View Estate,  
Kashmir Road, Lahore  
May 23, 1967.**

In exercise of the powers conferred by Section 18 of the Pakistan Water and Power Development Authority Act 1958 (West Pakistan Act No. XXXI of 1958), the Pakistan Water and Power Development Authority (hereinafter referred to as WAPDA) is pleased to make the following rules, namely:

**THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR THE  
CONSTRUCTION/PURCHASE OF HOUSES/PLOTS, 1967**

**1. Short Title, Application and Commencement**

- (1) These Rules may be called THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR THE CONSTRUCTION/PURCHASE OF HOUSES/PLOTS, 1967.
- (2) They shall apply to:
  - (i) Regular Wapda employees who have been in the service of the Authority for not less than five years;
  - (ii) Government servants on deputation to or under the administrative control of the Authority who are eligible for a house-building or house purchase advance under Government rules and who have not already availed themselves of the concession; and
  - (iii) Employees of the Electricity Department transferred to the Authority.
- (3) They shall come into force at once.

**2. Application for Advance**

- (1) An application for the grant of an advance may be made:
  - \* (i) For the construction or purchase of a house or plot, in the case of Government servants as well as regular Wapda employees and employees of the Electricity Department, for occupation by themselves, at any place in Pakistan .
  - (ii) Deleted vide Office Order Nos. 50 (R)5(227)A&L/4969, dated 22-7-69.
- (2) An application for the grant of an advance shall be accompanied by:
  - (i) Names, Designations and full addresses of two sureties, preferably Government Servants acceptable to the Authority with the following certificate/ documents:

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<sup>†</sup>Substituted vide O.M. No. S/DD (Rules)/07456/13/32088-8887 dated 17-4-1985. (Annexure-XV)

1. No inquiry is pending against the borrower or sureties.
2. Surety is a man of means .and capable of meeting his obligations in case the borrower defaults;
3. Permission of the competent authority for purchase/ construction of a house; and

(ii) A non-encumbrance certificate from the Sub-Registrar (in Form HB-II) that the plot of land owned by the applicant on which the house is to be built is free from all encumbrances.

(3) The non-encumbrance certificate referred to in sub-rule 2 (ii) will not be required if the land is allotted by a Satellite Town Committee or an Improvement Trust a registered Co-operative Housing Society, and in lieu thereof a certificate (in Form HB-III) that the allotting authority has no objection to the plot being mortgaged to WAPDA shall be furnished.

### 3. Sanctioning Authority

The advances for the Construction/Purchase of Houses/Plots will be sanctioned by competent authorities indicated in WAPDA Book of Financial Powers.

### 4. Advance for the construction of a house

<sup>\*1</sup>(1) An advance may be made to an employee of an amount not exceeding his pay for 36 months or the conservatively estimated cost of the construction of the house, whichever is less. However, such an advance cannot be claimed as of right.

**Note:** Advance under the above rule shall also be granted for extending a house owned by a Wapda employee subject to the conditions laid down in these Rules.

(2) An advance shall be made in four installments, the amount of each installment being such as is likely to be required for expenditure in the next three months. Before the second or any subsequent installment is paid, satisfactory evidence shall be produced before the General Manager Finance (Power)/Manager Finance concerned that the amount of the previous installment has actually been used for the purpose of which it was taken. Failing the production of such evidence, sanction for the advance shall be withdrawn.

<sup>\*2</sup>(3) The Controlling/Drawing Officer or a responsible person deputed by him, should verify by personal local inspection, that the conditions laid down in the above rule have been fulfilled and a certificate to this effect should be signed by the Controlling/Drawing Officer in the following form :-

#### CERTIFICATE

Certified that Mr.....who has been granted a House Building Advance of Rs.....has<sup>\*3</sup> produced documents stating proprietary rights in the land on which the house is proposed to be build/has constructed the house upto plinth level roof level/fittings of fixtures stage etc.

Signature of Controlling/  
Drawing Officer

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<sup>\*1</sup> Substituted vide O.M. No. S/DD(R)/07456/13/70362-71141 dt 12-09-83 (Annex-IX)

<sup>\*2</sup> Added vide O.M. No. S/DD (Rules)/07456/13/32088-8887 dated 17-4-1985 (Annex-XV)

<sup>\*3</sup> Relevant portion to be deleted, if the certificate is submitted for first/second/third/ fourth installment.

## **5. Advance for the purchase of a house**

\*<sup>1</sup>(1) An advance may be made to an employee of an amount not exceeding 36 months' pay or the estimated cost of purchasing the house, whichever is less.

(2) The advance may be drawn in full before the house is purchased. Satisfactory evidence shall be produced before the General Manager Finance (Power)/ Manager Finance concerned to the effect that the amount advanced has been spent within one month of its drawal.

## **5-A. Advance for the purchase of plot for construction of house**

\*<sup>1</sup>(1) An advance may be made to an employee of an amount not exceeding 36 months pay or the estimated cost of purchasing a plot, whichever is less.

(2) The advance may be drawn in full before the plot is purchased. Satisfactory evidence shall be produced before the respective Manager Finance or any other officer authorized by him in this behalf to the effect that the amount advanced has been spent for the purchase of plot within one month of its drawal.

## **6. Advance to Deputationists**

Deleted vide Office Order No. SO(R).5(227) A&L/4969, dated 22nd July, 1969.

## **\*<sup>2</sup>7. Advance to employees who are on the verge of retirement**

"Advance may be granted to a Wapda employee irrespective of age. However, the amount of advance granted to a Wapda employee above 50 years of age may be recovered including interest at the rate not exceeding 1/4th of monthly pay before attaining the age of 60 years. If any advance still remains to be recovered, the same may be recovered from the amount of commutation of his pension."

**Note 1:** Advance/loan for construction/purchase of house/plot may be granted to an employee of above 50 years of age subject to the condition that he alongwith his loan application shall opt for commutation of pension which option shall not be changed later on.

\*<sup>3</sup> **Note 2:** "While granting long term Loan / Advances interest free loans on first priority will be given to the employees whose houses were destroyed / damaged because of 08 October 2005 earthquake".

## **8. Revision of the amount of advance**

Where, on the date of making an advance, the estimated cost of building or, as the case may be, purchasing the house, exceeds the amount of advance admissible to an employee or a deputationist, as the case may be, but his pay is subsequently increased (other than by the accrual of annual increments) by not less than 30%, the amount of the advance may, at the request of the employee or the deputationist, be revised. Provided that:

- (i) the amount of the advance as revised shall not exceed the cost of building or purchasing the house as estimated at the time the original advance was made;
- (ii) the application for revision is made within twelve months of the date of drawing the first installment;
- (iii) the net amount payable against the revised sanction is arrived at after the adjustment of any amount drawn against the original sanction, where that amount, or any portion thereof, has been repaid; and

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\*<sup>1</sup>Substituted vide O.M. No. S/DD(R)/07456/13/70362-71141 dt 12-09-83 (Annex-IX)

\*<sup>2</sup>Added vide O.M. No. DG (S&GA)/DD(R)/07456/14/II/29706-30966 dt 21-04-1993 (Annex-XVII)

\*<sup>3</sup>Added vide O.M NO. DG(S&GA)/DD(R)/07456/14/II/47812-49111 dt. 26.12.2005 (Annex-XXI)

- (iv) the installments of recovery are so re-fixed as to enable recovery of the total amount, minus the amount already repaid, within the maximum period originally prescribed.
- (v) the revision will not be allowed if the house has been completed.
- (vi) If the mortgage deed already executed and registered stands for the advance originally sanctioned, the mortgagor may be required to execute a new separate deed in the prescribed form. The new deed should also be registered under the Registration Act.

It is also clarified that since Rule 4(1), 5(1) and 5 -A of these Rules have been revised with effect from 1-7-1983, these are applicable only in cases when the Advance has been sanctioned on or after 1-7-1983.

**\*<sup>1</sup> 9. Second advance**

An employee who has already received an advance either from the Authority or Government (for the construction or purchase of a house, or for the purchase of land for the construction of a house in the case of a Government servant) shall not be allowed another advance for the same purpose.

**10. Title to plot of land**

An advance shall not be made unless the employee has produced to the satisfaction of the Authority documentary evidence to show his title to the plot of land on which he proposes to construct a house or to purchase a plot of land for the purpose.

**\*<sup>2</sup> 11. Bond**

\*An employee shall at his own cost, execute a Personal Surety Bond (in Form HB-I) on Non-judicial paper of the value of Rs. 100/- notified by the Authority, at the time of sanctioning of an advance by the sanctioning authority.

**\*<sup>3</sup> 12. Mortgage of house/land as security and insurance till re-payment**

(1) In order to secure the Authority from loss, the employee shall, at his own cost, mortgage (in Form HB-IV) the house so built or purchased, together with the land it stands upon to the Authority. In the case of purchase of a house, the land and house shall be mortgaged within one month of drawing the advance.

(2) Stamp duty, registration fees and any other fees leviable on the execution and registration of mortgage documents required to be executed by the employee shall be paid by him.

(3) On completing the construction/purchase of a house, the borrower shall insure the house annually against earthquake and fire, at his own cost, with an Insurance Company approved by the Authority, and assign the Insurance Policy in Form HB-V in favour of the Authority. The house so constructed/purchased will be considered to have been transferred to the Authority absolutely, subject to the right of redemption by the employee.

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\*<sup>1</sup>A Second advance (even for a different purpose) will not be sanctioned unless the advance already drawn an employee has been repaid in full along with the interest as clarified vide o/o No. SO (R) 5 (293) A&L/655 19th January, 1971 (Annex-II)

\*<sup>2</sup>Added vide OM No. D/DD(Rules)/07456/13/III/52913-54213 dt. 11.11.2006 (Annex-XXII)

\*<sup>3</sup>Rules regarding second mortgage of the same property issued vide No. D/DD (Rules)/07456/14/21292-21592 dt 3-5-82 (Annex-III), D (Rules)/07456/14/12779-13124 30th January, 1983 (Annex-VI)

### **13. Special provision for employees leaving the service**

Subject to the provisions of Rule 14(2) below an employee who ceases to be in the service of Wapda before the whole amount due has been repaid shall refund the balance outstanding immediately.

### **14. Recovery of advance**

(1) Advances will be recovered by the deduction of monthly installments, equal to over one hundred and twentieth part of the total advance, from the pay bills of the employee concerned. The Authority may, however, permit recovery to be made in a smaller number of the installments, if the employee receiving the advance so desires. The amount of interest will be recovered in one or more installments, each such installment being not appreciably greater than the installments, by which the principal was recovered. The recovery of interest will commence from the month following that in which the whole of the principal has been repaid.

**NOTE-I** The amount of the advance to be recovered monthly shall be fixed and recovered in whole rupees except in the case of the last installment when the remaining balance including any fraction of a rupee shall be recovered.

**NOTE-II** The recovery of the sum advanced, whether in lump sum or by installments, shall commence from the fourth issue of pay after the payment of the advance or its first installment, as the case may be.

**NOTE-III** Deleted vide office Memorandum No. SO(R)-5(227) A&L/7418, dated October 20, 1970.

(2) If a Government servant to whom an advance has been granted under these Rules ceases to be in the service of WAPDA the balance of the advance with interest thereon as above provided shall be immediately repayable unless the Government Servant produces a certificate from the Accountant General Pakistan, that deductions of the remaining installments will be made monthly from the pay bills drawn by the Government servant in his parent department or any other department to which he may thereafter be transferred. Should the Government servant cease to be in Government service before the advance with interest as aforesaid has been repaid, the balance outstanding shall be immediately repayable.

\*<sup>1</sup>(3) In case of death 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

### **15. Default**

If the house for the construction or purchase of which an advance has been made is not constructed within one year of the drawing of the first installment or, as the case may be, is not purchased and mortgaged together with the land within one month of the drawing of the advance or any installment thereof or if the employee becomes insolvent or ceases to be in the service of WAPDA or dies, the entire amount of the advance and the interest accrued thereon shall, subject to the other provisions of these rules, immediately become due and payable.

### **16. Misconduct**

Failure on the part of an employee, without reasonable cause, to repay any installment of principal or interest shall be considered as misconduct within the meaning of the Pakistan WAPDA Employees (Efficiency and Discipline) Rules, applicable to the employee.

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\*<sup>1</sup>Added vide O.M. No. DG(S&GA)/DD(R)/07456/13/II/18991-20241 dated 28-3-1993 (Annex-XVI)

**\*<sup>1</sup> 17. Rate of interest**

The interest charged on amounts advanced under these Rules shall be at the rate fixed by the Government of Pakistan from time to time. 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 the construction/purchase of house/purchase of plots for the construction of houses.

**18. Amendment or relaxation**

The Authority may, on good cause being shown, amend or relax all or any of these Rules.

**19. Interpretation**

Should any question arise concerning the interpretation of these Rules, the decision of the Authority shall be final.

**20. Repeal**

The Rules known as "Rules Regulating the Grant of Advance from Wapda House Building or Purchasing Advance Fund" are hereby repealed.

**BY THE ORDER OF THE AUTHORITY**

**(SAJJAD-UL-HASAN) CSP,  
Secretary  
Water and Power Development Authority**

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\*<sup>1</sup> Substituted vide O.M. No. S/DD(Rules)/07456/13/70362-71141 dated 12-9-1983 (Annex-IX)

**BOND**

WHEREAS I Mr. ....  
Son of..... (hereinafter called the Borrower, which expression shall include my heirs, legal representatives and assigns) presently employed as . . . . . in the office of ..... has, under the provisions of the Rules Regulating the Grant of Advances for the Construction/Purchase of House / Plots, 1967 (hereinafter referred to as the Rules, which expression shall include any amendment thereof for the time being in force), applied to the Pakistan Water and Power Development Authority established under the Pakistan Water and Power Development Authority Act, 1958, with its office at Wapda House, Lahore, (hereinafter called the Authority, which expression shall include its successors, legal representatives and assigns) for a loan of Rs. .... (in words. .... ) for the purchase of a House. .... or a plot of land. .... (here give full description) and for building a house thereon (here give full description) 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 BY and BETWEEN THE PARTIES hereto that in consideration of the sum of Rs ..... (in words).....paid by the Authority to the Borrower the receipt of which the borrower hereby acknowledges.

1. The Borrower shall pay to the Authority the said amount with interest calculated according to the Rules by monthly deductions from his salary as provided for by the Rules, and hereby authorizes the Authority to make such deductions and start making them within four months from the date of these presents.
2. The Borrower shall spend the entire amount of the loan on the \*Purchase/ Construction of the House or the \*Plot of land and constructing a house thereon, or if the actual price paid for the \*House or the \*Plot of land or the expenditure incurred on the \*construction of the House is less than the loan, the Borrower shall repay the difference to the Authority forthwith.
3. The Borrower shall, within one. month from the date of payment of the last installment/entire amount of the loan to him for the construction/purchase of house, execute a mortgage deed, mortgaging the house together with the land on which it stands, to the Authority, and get the deed registered at his cost. The borrower shall insure the house annually against earthquake and fire, at his own cost, with an Insurance Company approved by the Authority, and assign the Insurance Policy in Form HB-VII in favour of the Authority. The house so constructed/purchased will be considered to have been transferred to the Authority absolutely, subject to the right of redemption by the employee.
4. The Borrower hereby agrees, undertakes and declares that if the plot of land is not purchased and the house not built thereon (the reasonable period building a house would be one year) \*or if the house is not purchased as soon as possible or if the Provisional Transfer Order is cancelled by the Settlement Authorities and/or the deed mortgaging the house together with the land it stands on is not executed and registered within one month of the completion of purchase of the house or if the borrower becomes insolvent or ceases to be in the service of the Authority or dies, the entire amount of the loan and the interest accrued thereon, shall immediately become due and payable.



5. Should the entire amount due from the Borrower be not realized by monthly deductions as agreed under Clause I hereof, the Borrower shall pay the amount due or its balance due, to the Authority in a lump sum. In the case of serving personnel, the Authority or a Member of the Authority would be fully competent to stop disbursement of pay and allowances till such time as the amount due above with interest has been realized.

WHEREAS I Mr..... S/O ..... resident at ..... presently employed as ..... in the office of ..... in consideration of your granting a loan of Rs . . . . . (Rupees. . . . . only) to .....S/O ..... of (address) ..... hereby guarantee due repayment of the loan and the installments falling due thereunder in terms of the mortgage deed a copy whereof is hereto annexed and signed by me for the said loan and to be executed by the said. . . . . (hereinafter referred to as the Principal Debtor). In the event of the said Principal Debtor failing to pay any of the installments falling due in respect of the said loan within 10 days of its becoming due and payable to WAPDA. I hereby undertake to pay the same within seven days of the receipt of notice in writing to me. Provided always that the payment of such installment by me shall not in any way prejudice WAPDA's right to treat the balance of the loan as repayable on demand by reason of the Principal Debtor's failure to pay such installment on the due date or for any other reason that WAPDA may deem sufficient. In the event of WAPDA's deciding to recall the balance of the loan as aforesaid, it shall have the right to demand the same from me by notice in writing and on my failing to repay the balance within 15 days of the receipt of notice in writing to me, to proceed against me under the law as if I was the Principal Debtor (i.e. borrower) within the meaning of the WAPDA Rules Regulating the Grant of Advances for the Construction/ Purchase of House/Plots, Rules, 1967.

2. My liability under this guarantee shall be co-extensive with that of the Principal Debtor and WAPDA may at its discretion hold me primarily responsible for the liabilities of the Principal Debtor as aforesaid.

3. This guarantee shall not be discharged or prejudiced by any partial payments or by settlement of accounts or by discharge of the Principal Debtor by Operation of law or for any other reason.

4. WAPDA may as it thinks fit and without reference to me and without prejudice to its rights against me by virtue hereof, grant the Principal Debtor time or other indulgence or make or accept any arrangement or composition with him in respect or the debt hereby guaranteed and also vary, renew, realize or in any way deal with any securities or rights now or hereafter held by WAPDA in respect of the debt.

5. Any account settled between WAPDA and the Principal Debtor as well as any statement of WAPDA regarding the amount due to them will be accepted by me as conclusive evidence of the extent of my liability under this guarantee.

6. Any notice by way of demand, request or otherwise hereunder may be given to me personally or may be left at the last known place of business or residence or may be sent to me by post addressed as aforesaid, and if sent by post, it shall be deemed to have been duly received by me when it would reach me in due course of post.

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

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20

1. Signature of Guarantor

(Name, designation and full address of the Borrower).

2. Signature of Guarantor

Witness 1

Witness

Name and Full Address

1. Name  
Occupation  
Address

Witness 2

Name and Full Address

2. Name  
Occupation  
Address

SECRETARY

for and on behalf of the  
Pakistan Water and Power Development Authority

Score out what may not be applicable.

**NON-INCUMBRANCE CERTIFICATE**

Indices for the years from ..... to ..... of Book. .: ..... of his office  
have been consulted and there is no entry showing any encumbrance on property i.e. plot. ....  
..... measuring. .... situated. ....  
..... owned by Mr. .... residing at. ....  
during the said period.

Sub-Registrar

**CERTIFICATE OF IMPROVEMENT TRUST HOUSING SOCIETY**

This is to certify that Mr . . . . . serial Membership No. . . . . has been allotted Plot No . . . . . admeasuring . . . . . yards in Block No. . . . . as per blue print of the Society. He has paid sum due to the Society upto date in respect of the said plot. He has taken exclusive possession of the said plot. The society has permitted him to construct a pucca residential house on the same. The Society has no objection if the Allottee mortgages the said plot of land and the house to be constructed thereon as security against loan that may be advanced to him by the Pakistan Water and Power Development Authority.

No permission has been granted to the allottee to mortgage or in any other way transfer his interest in the land and the house to be constructed thereon except with the Pakistan Water and Power Development Authority.

MORTGAGE DEED

(On non-judicial stamp paper of the value as determined in each case in consultation with the Legal Adviser Wapda. This document will have to be registered).

THIS INDENTURE made this . . . . . day of . . . . . Two thousand and . . . . . BETWEEN . . . . . of . . . . . (hereinafter called the Mortgagor, which expression shall include his heirs, legal representatives and assigns) of the one part and the Pakistan Water and Power Development Authority, constituted under the Pakistan Water and Power Development Authority Act, 1958 (hereinafter called the Authority, which expression shall include its successors, legal representatives and assigns) of the other part.

WHEREAS the Mortgagor is absolutely seized and possessed of or otherwise well entitled to the land here ditaments and the premises hereinafter defined and expressed to be hereby conveyed transferred and assured (hereinafter referred to as the said here ditaments).

AND WHEREAS the Mortgagor has applied to the Authority for an advance of a sum of Rs . . . . . for the purpose of enabling him to defray the expenses of . . . . . a suitable residence for his own use. AND WHEREAS the Mortgagor has, under the provisions of the Rules Regulating the Grant of Advances for the Construction/Purchase of Houses/ Pots, 1967, (hereinafter referred to as the Rules which expression shall include any amendment thereof for the time being in force applied for and has been granted an advance of Rs . . . . . Rupees (in words) . . . . . for purchasing a plot of land. . . . . (give full description) or for constructing a house. . . . . (give full description) or for purchasing a house. . . . . (give full description) by the Authority which plot of land the Mortgagor has purchased for Rs. . . . . and which house he has built thereon at a cost of Rs . or which house the Mortgagor has purchased for Rs. . . . .

AND WHEREAS in this context the Mortgagor entered into Agreement dated----- with the Authority.

AND WHEREAS one of the conditions upon which the said advance/s has / have been granted by the Authority to the Mortgagor as entered in the said Agreement is that the Mortgagor shall immediately when required by the Authority / execute a mortgage deed mortgaging the house purchased or built together with the land it stands on the Authority and get the deed registered.

NOW THIS INDENTURE WITNESSETH that in consideration of the Said advance of Rs . . . . . and in pursuance of the said Agreement, the Mortgagor does hereby mortgage with the Authority by way of simple mortgage ALL THAT PLOT of land situated in . . . . . in the registration District of . . . . . Sub-District. . . . . Thana. . . . . containing more or less and bounded on the North by, . . . . . on the South by. . . . . on the East by . . . . . and on the West by. . . . . together with the houses, compound wall and all other structures, constructed thereon and all furnishing and fittings therein and hereinafter constructed or added thereto.

PROVIDED ALWAYS that if and as soon as the said advance of Rs..... and of such further sums, if any, as may have been paid to the Mortgagor by the Authority as aforesaid made upon the security of these presents and interest thereon calculated according to the Rules shall have been repaid to or received by the Authority in terms of the said Agreement, then and in such case the mortgagor shall be entitled to redeem the said mortgage at his option (Appendix-A).

AND FURTHER PROVIDED ALWAYS THAT if there shall be any breach by the Mortgagor of the covenants on his part herein contained or contained in the said Agreement, or if he shall become insolvent or ceases to be in the service of the Authority or die before all sums due or payable to the Authority on the security of these presents and interest thereon calculated according to the said Rules shall have been fully paid off, then and in any of such cases the Authority Shall have a right to cause the mortgaged property to be sold, and the proceeds of sale to be applied, so far as may be necessary, to satisfy, its claim.

The Mortgagor hereby covenants with the Authority that the Mortgagor will during the continuance of this security observe and perform all the provisions and conditions of the Rules on his part to be observed and performed in respect of these presents and the said here ditaments.

IN WITNESS WHEREOF the Mortgagor has hereunto set his hand the day and the year first above written.

.....  
(Mortgagor)

Witness. ....  
Address. ....  
Occupation. ....

Witness. ....  
Address. ....  
Occupation. ....

**Letter Intimating the Insurance Company the Authority's Interest in Insurance Policies of Houses Purchased/Constructed with the Aid of Advance Sanctioned by WAPDA**

From:

To

**Subject:- INSURANCE POLICY NO. COVER.....**  
**IN RESPECT OF HOUSE SITUATED AT.....**  
.....

**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 Shahrah-e-Quaid-e-Azam, Lahore and that the said Authority is interested in the said House 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.

**(Aman Ullah Khan)**  
**Secretary Wapda**

**DEED OF REDEMPTION**

This INDENTURE made the ..... of ..... BETWEEN the Pakistan Water and Power Development Authority (hereinafter called the "Mortgagee") of the one part and of Administration and Coordination Division, WAPDA, Lahore (hereinafter called the "Mortgagor") of the other part and registered in the office of the Sub-Registrar, on at Lahore in Book No. .... as No. .... Its copy pasted as No ..... in Additional Book No. .... on .... for Rs. .... (hereinafter called the "Principal Indenture") WHEREAS All moneys due and owing on the security of the Principal Indenture have been fully paid and satisfied and the Mortgagee has accordingly at the request of the mortgagor agreed to execute such redemption of the Mortgaged premises in the within Indenture COMPRISED as hereinafter contained.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and in consideration of the premises the Mortgagee doth thereby grant assign and redeem unto the Mortgagor, his heirs, executors, administrators and assign ALL THAT HOUSE situated at..... .All and singular other premises in the Principal Indenture comprised or expressed to be HEREBY assured or which by now are by any means vested in the Mortgagee and subject to redemption under or by virtue of the Principal Indenture with their rights easements and appurtenances as in the Principal Indenture expressed and all the estates right title, interest, property claim and demand whatsoever of the Mortgagee into out of on or upon the same premises hereinbefore expressed to be HEREBY reconveyed granted assigned unto and to the use of the Mortgagor, his heirs, executors, administrators and assigns for ever freed and discharged from" all moneys intended to be secured by the Principal Indenture and from all actions, suits accounts, claims and demands for, or, in respect of, the said moneys or any part thereof, or, for, in respect of, the Principal Indenture or of anything relating to the premises. AND Mortgagee hereby covenants with the Mortgagor, his heirs, executors, administrators and assigns that the Mortgagee has not done or knowingly suffered or been party or privy to anything whereby the said premises or any part thereof are/is or can be impeached, encumbered or affected in title, estate or other howsoever.

IN WITNESS where of the parties here to have hereunto set their hands and seals the day and year first above written.

In presence of

**SECRETARY WAPDA**

- 1. ....
- 2. ....



**UNDERTAKING**

Whereas the Government of Pakistan had sanctioned to me a house building advance of Rs ..... Rupees. ....for construction of a house in erstwhile East Pakistan, the recovery of which has been postponed in terms of Finance Division O.M. No. F. 8 (1)-R.9/72, dated 27th September, 1972/O.M. No. F.I (15)-R. 9/780, dated the 15th August, 1973.

I, ..... Son of ..... Ministry of ..... do hereby undertake that as and when a settlement is reached between the Governments of Pakistan and Bangladesh and in case whether I receive compensation or have my house restored to me, I undertake to refund to the amounts due from me by installments by deduction or otherwise from my pension or in lump sum from the gratuity, as may be decided upon by the Government of Pakistan.

Date

**Signature**

Witness

**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:-

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

- (i) 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.
- (ii) Under this rule, an employee is required to execute an agreement in the prescribed form before the actual drawal of the advance.
- (iii) Under this rule, an employee is required to purchase the vehicle within one month from the date of drawal of the advance.
- (iv) Under this rule, an employee is required to mortgage, in favour 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 favour 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/- 2-12-65**

**(S. AKHLAQUE HUSSAIN)  
TQA, CSP,  
SECRETARY, WAPDA**

"

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

Instances 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 motorcar. This increases the liability of the borrowing 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.**

No. D/DD (Rules)/07456/14/21292-21592

3rd May, 1982

The General Manager Finance (Power),  
WAPDA, B-47 Wapda House, Lahore.

**Subject:- GRANT OF HOUSE BUILDING/PURCHASE ADVANCE**

Ref: -Your Letter No. GMF(P)/Project/LTA/Policy/2132, dated 21st April, 1982. (Appendix-A)

Parawise replies to the points raised in your letter are as under

1. According to rule-9 of the Pakistan WAPDA Rules Regulating the Grant of Advances for the Construction/Purchase of Houses/Plots, 1967, second advance is NOT admissible if the employee has already received an advance either from the Government or the Authority. House Building Finance Corporation or any loan giving agency cannot be an exception to this rule, because the plot or house must be already mortgaged with the loan giving agency i.e. House Building Finance Corporation etc. and it cannot be simultaneously mortgaged with the Authority. House Building Finance Corporation is a Government organization set-up with the aid of Government Finances and the loan from the Corporation should be for the purpose of rule-9 treated as loan from Government;
2. The document which establishes the title of the employee to the plot of land/ House like lease deed, or registration deed in terms of the rule 10 *ibid*;
3. No second advance cannot be granted in terms of rule 9 *ibid*; and
4. According to rule 2 (ii) before an advance is allowed, the employee has to produce a non-encumbrance certificate either from Sub Registrar or from Improvement Trusts (like KDA or LDA) or the Housing Society. If the House is already mortgaged with House Building Finance Corporation, etc. the employee cannot produce the non-encumbrance certificate, and he cannot be allowed second advance under the rules from the Authority.

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

**COPY OF LEITER NO. GMF (P)/PROJECTS/LTA/POICY / 2132 DATED 21ST APRIL, 1982,  
RECEIVED FROM THE OFFICE OF GENERAL MANAGER FINANCE (POWER) WAPDA,  
WAPDA HOUSE, LAHORE**

The Deputy Director (Rules),  
WAPDA, Wapda House, Lahore.

**Subject:- GRANT OF HOUSE BUILDING/PURCHASE ADVANCE**

Kindly refer Authority's Office Order No. S/DD/Rules/07531116386-16885 dated 30-9-81 and you are requested to kindly clarify the points raised as under:-

1. Whether or not a WAPDA employee who has already obtained a loan for House Building/Purchase of House Advance from House Building Finance Corporation, is eligible for the grant of advance for the similar purpose from WAPDA.
2. What documents are required to be obtained from a borrower while executing Mortgage Deed in connection with the purchase of Plot Advance.
3. Whether or not a WAPDA employee already in receipt of purchase of Plot

Advance from WAPDA is eligible for the grant of House Building/House Construction Advance.

4. In case a WAPDA employee has acquired loan from WAPDA for House Building and subsequently it is revealed that he has already acquired similar loan from House Building Finance Corporation, it may please be intimated as to whether or not in such cases, Registered Mortgage Deed is obligatory with WAPDA when he has already executed such Mortgage with House Building Finance Corporation and handed over his original Registration documents to House Building Finance Corporation.

An expeditious clarification on the points raised above is solicited to enable us to dispose of the cases accordingly.

**Sd/-  
(Manager Finance H.Q)  
Wapda**

**OFFICE MEMORANDUM**

**Subject:- THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR THE CONSTRUCTION/PURCHASE OF HOUSES / PLOTS, 1967.**

In case the authority competent to sanction an advance in terms of the Rules referred to above has any doubt as to whether a particular locality is a suburb or a satellite town of the stations mentioned in rule-2 of these Rules, it may direct the prospective borrower to submit a certificate from the Municipal Corporation or the City's Development Authority to the effect that the locality concerned is a suburb or satellite town of that city on the following proforma:

"Certified that Plot No .....House No .....measuring .....  
.....in Block No. .... (with full location of the plot/house) is situated in  
the locality which is a satellite town or suburb of the city of .....

**Mayor of the Corporation/  
Chairman-Development Authority".**

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

**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.

No agreement will be acceptable without the above certificate.

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



**OFFICE MEMORANDUM****Subject: GRANT OF HOUSE BUILDING/PURCHASE ADVANCE**

In partial modification of the advice contained in this office letter No. D/DD (Rules)/07456/14/21292-21592, dated 3-5-1982, the Authority has decided that there should be no objection to the creation of second charge on the property already mortgaged with the Authority. Permission may be granted to Wapda employees applying for a loan from house Building Finance Corporation, thereby creating a second mortgage on the property (already mortgage with the Authority in favour of the House Building Finance Corporation subject to the condition that the House and the Land will remain mortgaged in favour of the Authority to the extent of the advance drawn from the Authority together with interest accrued thereon and that it will constitute first charge on the said property. While granting such permission it should be ensured that the above conditions are invariably incorporated in the second mortgage to be executed in favour of the House Building Finance Corporation.

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

**OFFICE MEMORANDUM****Subject: GRANT OF HOUSE BUILDING/PURCHASE ADVANCE**

1. In continuation of this office O.M. No. *D/DD (Rules)/07456/14/12779-13124*, dated 30-1-1983, it is clarified that permission for the construction of a house by a Wapda employee is to be accorded by his appointing authority on an application made in his behalf, disclosing his source from which the cost of such construction shall be met vide rule 10-A of Pakistan Wapda Employees (Conduct) Rules, 1978. It is, therefore, clear whether the house is to be constructed by taking a loan from House Building Finance Corporation by creating the first mortgage on the property or second mortgage on the property needs the approval of the appointing authority. The approval will be sought on the prescribed form for this purpose vide Office Memorandum No. *D/DD (Rules)/07456/22/107129930* dated 8-12-1982.

2. Since according to Office Order No. SO (S)-5 (2) A&L/57007-567 dated 20-4-1978, all agreements/surety bonds in respect of house building advances etc. are to be signed and accepted on behalf of the Authority by the General Manager (Admn), any application for permission for a loan from House Building Finance Corporation by creating a second mortgage on the property (already mortgaged to the Authority) in favour of House Building Finance Corporation, will be accorded by the appointing authority through General Manager (Admn) who has accepted on behalf of Authority the agreement and surety bond for the grant of first advance. In fact such permission may be sought by the employee on the prescribed form already referred to above.

3. This issues with the approval of General Manager (Admn).

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

No. *D/DD* (Rules)/07456/13/46672-47021

19th May, 1983

**CORRIGENDUM**

**Subject: GRANT OF HOUSE BUILDING / PURCHASE ADVANCE**

The words "appointing authority" wherever occurring in this office Office Memorandum No. *D/DD* (Rules)/07456/13/40026-375, dated 25.4.1983, be substituted by the words "competent authority"

2. A copy of the corrected text of the Office Memorandum is reproduced below.

**(S. M. KAMAL)**  
**Director (Rules) Wapda**

PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY

Telephone : 304488 & 69911/204  
Telegrams : WAPDA LAHORE

740-Wapda House,  
Lahore.

No. S/DD (Rules)/07456/13/70362-71141

12-September, 1983

**OFFICE MEMORANDUM**

**Subject :- THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR THE CONSTRUCTION/PURCHASE OF HOUSES/PLOTS 1967 AMENDMENT.**

In pursuance of paras 17 and 8 of Authority's Office Memorandum No. F. O (P&I)/BSP-83/10-126/5766-5966 dated 24-08-1983 the existing rules 4(1), 5(1), 5-A (a) and 17 may be replaced by the following w.e.f 1-07-1983:-

- Rule-4 (1) An advance may be made to an employee of an amount not exceeding his pay for 36 months or the conservatively estimated cost of the advance cannot be claimed as or right.
- Rule-5 (1) An advance may made to an employee of an amount not exceeding 36 months pay or the estimated cost of purchasing the house, whichever is less.
- Rule-5-A (1) An advance may be made to an employee of an amount not exceeding 36 months pay or the estimated cost of purchasing a plot, whichever is less.
- Rule-17 **Rate of interest**  
The interest charged on amounts advanced under these Rules shall be at the rate fixed by the Government of Pakistan from time to time. 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 the construction/purchase of houses/purchase of plots for the construction of houses.

**Colonel  
(Idress Mohsin)  
Secretary – WAPDA.**

Distribution as per List 'D'

**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 explicable, 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.

**(S. M. KAMAL)**  
Director (Rules) Wapda

**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**

**OFFICE ORDER**

**Subject: GRANT OF ADVANCE FOR THE CONSTRUCTION / PURCHASE OF HOUSE / PLOT AND MOTOR CAR.**

It has been observed that cases for acceptance of Surety Bonds regarding long term advances are submitted to this office under the signatures of various officers subordinate to the loan sanctioning authorities. In the interest of Authority, it has been decided that cases for acceptance of Surety Bonds should now be recommended by the General Managers, Chief Engineers and Heads of Division on the form itself or on a covering letter.

**Lt. Col. (Retd.)  
(Abdul Jalil)  
Director (Services & Estates) Wapda  
for GM (Admn.), Wapda**

**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 OM. No. F.O(B&F)/ BSP-83/10-126/5766-5966, dated 24-8-1983, on the above subject and to clarify that the concession mentioned in para 18 of the said OM. 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**



**OFFICE ORDER**

Under the Rules regarding the grant of advance for the purchase of Motor Car/Motor - Cycle/Scooter/Cycle, an employees is required to mortgage the Conveyance purchased with the advance obtained from the Authority, in this favour, within one month of the drawal of the advance.

In case of advance for the construction of Houses/Purchase of Plots an employee is required to mortgage the property in favour of the Authority within four(4) months and one(l) 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-X.

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 & Estates)  
WAPDA**

PAKISTAN  
WATER AND POWER DEVELOPMENT AUTHORITY

Telephones: 222112 & 89911/294  
Telegrams : WAPDA LAHORE

740-WAPDA HOUSE  
LAHORE

No. S/DD (Rules)/07456/13/32088-8887

Dated 17 April, 1985

OFFICE MEMORANDUM

**Subject : THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR THE CONSTRUCTION/PURCHASE OF HOUSES/PLOTS, 1967 AMENDMENTS**

The Authority has decided that the following amendments should be made in "The Pakistan Wapda Rules Regulating the Grant of Advances for the Construction/Purchase of Houses/Plots, 1967:-

- a) The existing rule 2(1) (i) should be substituted with the following:-
- "i) for the construction or purchase of a house or plot, in case of Government servants as well as regular WAPDA employees and employees of the Electricity Department, for occupation by themselves, at any place in Pakistan."
- b) The following new sub rule should be added as sub rule (3) below the existing sub rule (2) of Rule 4:-

"(3) "The Controlling/Drawing Officer or a responsible person deputed by him, should verify by personal local inspection, that the conditions laid down in the above rule have been fulfilled and a certificate to this effect should be signed by the Controlling/Drawing Officer in the following form:-

CERTIFICATE

Certified that Mr. \_\_\_\_\_ who has been granted a House Building Advance of Rs. \_\_\_\_\_ has\*produced documents stating proprietary rights in the land on which the house is proposed to be built/has constructed the house upto plinth level/roof level/fittings of fixtures stage etc.

**Signature of Controlling/  
Drawing Officer**

\*Relevant portion to be deleted, if the certificate is submitted for first/second/third/fourth instalment.

**Colonel  
(Idrees Mohsin)  
Secretary, WAPDA**

**Distribution:-**  
As per List 'D'

**PAKISTAN  
WATER AND POWER DEVELOPMENT AUTHORITY**

Telephones :306836-6366911/2717  
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Service & General Administration  
716-Wapda House,  
Lahore.

No.DG (S&GA)/DD(R)/07456/13/II/18991-20241

Dated 28<sup>th</sup> March 1993

**OFFICE MEMORANDUM**

**Subject : THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR  
THE CONSTRUCTION/ PURCHASE OF HOUSES/PLOTS 1967-AMENDMENT**

Authority has decided to add the following as sub clause (3) to clause 14 of the Pakistan WAPDA Rules Regulating the Grant of Advances for the Construction/Purchase of Houses/Plots 1967:-

“(3) 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.”

**Eric Massey  
Director General**

Distribution

1. As per list 'D'
2. Assistant Director (E-IA) S&GA WAPDA, Lahore.

PAKISTAN  
WATER AND POWER DEVELOPMENT AUTHORITY

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Services & General Admn  
717-Wapda House,  
Lahore.

No.DG (S&GA)/DD(R)07456/14/II/29706-30966

Dated 21<sup>st</sup> April 1993

**OFFICE MEMORANBDUM**

**Subject: THE PAKISTAN WAPDA RULES REGULATING THE GRANT OF ADVANCES FOR THE CONSTRUCTION/ PURCHASE OF HOUSES/PLOTS-1967 (AMENDMENT)**

Authority has decided to substitute the existing Rule 7 of the Pakistan WAPDA Rules regulating the grant of advances for the construction/purchase of houses/plots-1967 by the following and add a note thereunder:

“Advance may be granted to a WAPDA employee irrespective of age. However, the amount of advance granted to a WAPDA employee above 50 years of age may be recovered including interest at the rate not exceeding 1/4<sup>th</sup> of monthly pay before attaining the age of 60 years. If any advance still remains to be recovered the same may be recovered from the amount of commutation of his pension.”

**Note**

Advance/loan for construction/purchase of house/plot may be granted to an employee of above 50 years of age subject to the condition that he alongwith his loan application shall opt. for commutation of pension which option shall not be changed later on.

**Eric Massey  
Director General**

**Distribution:**

1. As per list 'D'
2. Assistant Director (E-IA) S&GA WAPDA, LAHORE.

**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 alongwith 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 alongwith following documents:

1. Application for loan (complete set as detailed at Sr. No.1 to 5 above) alongwith 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 up to 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 over come 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 / officials 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**

**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.F.O(R&I)/BPS-83/10-126/5766-5966 dated24-8-1983

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)**

**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)**

PAKISTAN  
WATER AND POWER DEVELOPMENT AUTHORITY  
SERVICES & GENERAL ADMINISTRATION

DIRECTOR GENERAL  
(S&GA)

332-Wapda House,  
SHAHRAH-I-Quaid-i-Azam,  
Lahore

No. DG (S&GA)/D/DD(R)/07456/14/II/47812-49111

Dated: 26.12.2005

**OFFICE MEMORANDUM**

**Subject:- THE PAKISTAN WAPDA RULES FOR GRANT OF ADVANCES FOR CONSTRUCTION/PURCHASE OF HOUSES/PLOTS-1966/(FINANCIAL ASSISTANCE TO THE EARTHQUAKE EFFECTEES)**

Ref:- DG(S&GA)'s Office Memo No. DG (S&GA)/DD(R)/07456/14/II/29706-30966 dated 21.04.1993.

1. The Authority has been pleased to accord approval to add the following as Note-2 in the office memorandum referred above:-

**Note-2**

“Notwithstanding anything contained in the above referred Office Memorandum, while granting long term Loan/Advances interest-free loans on first priority will be given to the employees whose houses were destroyed/damaged because of 08 October 2005 earthquake”.

(Iftikhar Ahmad)  
Director General (S&GA)

**Distribution:**

- PSO to Chairman.
- SO to Chairman.
- As per list 'D'.



Grams: WAPDA Lahore

Phones; 9202508-9202211/2309

**PAKISTAN  
WATER AND POWER DEVELOPMENT AUTHORITY**

**RULES DIRECTORATE S&G**

No. D/DD(Rules)/07456/13/III/52913-54213

309-Wapda House, Lahore  
Dated: 11, Nov. 2006

**OFFICE MEMORANDUM**

**Subject: LONG TERM ADVANCES-PERSONAL SURETY BOND**

The Authority has approved following amendments on the subject regarding acceptance of Personal Surety Bond with immediate effect in rules mentioned below:-

<b>Existing Rule</b>	<b>Existing Clisting Clause</b>	<b>Amended Clause</b>
Rule 2, Clause (vi) of 'The Grant of Advances for the Purchase of Motor Car/Motor Cycle/Scooter/Cycle, 1962	At the tyime of sanction of the advance, the employee shall be required to execute the Bond in form give n in Appendix 'A' on Non-judicial paper of the value notified by the Autyhority, <b>from time to time in accordance with Stamp Act.</b> No. advance shall be sanctioned or drawn unless this Bond has been executed to the satisfaction of the Authority.	At the time of sanction of the advance, the employee shall, <b>at his own cost</b> , berequired to execute a Personal surety Bond in the form given in Appendix 'A' on Non-judicial paper of the value of <b>Rs. 100/-</b> notified by the Authority no advance shall be sanctioned or drawn unless the said Bond has been executed to the satisfaction of the loan sanctioning authority.
Rule 11 of 'The Grant of Advances for the Constructions/ Purchase of Houses/Plots, 1967.'	An employee shall at his own cost, execute a Bond (in Form HB-I) on Non-judicial paper of the value notified by Authority <b>from time to time in accordance with Stamp Act</b> ,. at the time of sanctioning of an advance by the sanctioning authority.	An employee shall at his own cost, execute a Personal Surety Bond (in Form HB-I) on Non-judicial paper of the value <b>of Rs. 100/-</b> notified by Authority, at the time of sanctioning of an advance by the sanctioning authority.

**(Muhammad Junaid Afzal)**

**Distribution**

- As per list 'd'.
- All CEO's of DISCOs/GENCOs/NTDC.
- General manager (C&M) water and power.
- Secretary, WAPDA with reference to his letter No. S/AD(Coord)/03003/MTG/2621-22 dated 06-11-2006.
- Director (Public Relations) wapda.
- Director (S&E), EAPDA. He is requested to please amend suitably Clause (1), Para 2 of Notification dated 10.11.1999, issued by him.
- Director (C&M) office of GM (Admn).
- Libraian, Wapda Central Library, Wapda House, Lahore for record please.

No. 14-V-B/B&C/LTA/299/2007/2186-2215

Dated 06.12.2007.

**OFFICE MEMORANDUM**

**Subject: PERMISSION FOR GRANT OF LONG TERM ADVANCES**

A question has arisen that in light of Rule 10(A) of Conduct Rules, 1978, whether the permission from competent authority is essential for the grant of Long Term Advances from WAPDA, if the amount of Loan is less than the prescribed limit i.e. Rs. 500,000/- for officers (BPS 16 and above) and Rs. 100,000/- for officials (BPS 1 to 15).

The matter has been considered in consultation with Director Finance (Regulations) WAPDA, who has clarified that permission of competent authority is mandatory for obtaining all types of Long Term Advances / Loans i.e. Purchase of Plot, Purchase of House, Constructions of House and Purchase of Car / Motor Cycle, irrespective of the cost / price of moveable / immoveable property.

**( Suhail Ahmad )  
AD Finance (Admn)  
For Director Finance (B&C) WAPDA.**