



**GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD
(INDUSTRIES SECTION)**

POSITION PAPER FOR PDWP

ISSUE: Substituting the minutes of the PDWP

Project Profile

1.	Project Title	CM Punjab Asaan Karobar Card
2.	Location	Punjab
3.	Sponsoring Agency	Industries, Commerce and Investment Department
4.	Executing Agency	Punjab Small Industries Corporation through BOP
5.	Operation and Maintenance	Punjab Small Industries Corporation through BOP
6.	Approved Project Cost	9500.00 Million (Approved by PDWP on 14-02-2025)
7.	Gestation Period	6 Years
8.	Source of Funding	ADP (G.S. No. 8080)

9. DESCRIPTION OF THE PROJECT:

The project is designed to facilitate Existing & Prospective Small Entrepreneurs in Punjab by providing Clean Interest Free Loans up to Rs. 1.00 Million through a completely digital process led SME Card for (a) Raw Material purchases directly from vendors / suppliers through funds transfer, (b) Government fees/ payments, taxes & utility bills through funds transfer, (c) White-listed MCCs on POS machines, and (d) Cash-withdrawals up to 25% of the approved limit through ATMs for Miscellaneous purposes, enabling them to establish and flourish their businesses. The spending shall be structured through Digital Channels (e.g., Mobile App, POS etc.), limiting cash spend, thereby restricting diversion of funds from the intended purpose of financing. The project will be implemented by PSIC through Bank of Punjab (BOP).

10. PROJECT OBJECTIVES

- i. To support Small Enterprises (SEs) in Punjab by providing Clean Interest Free Loans through a completely digital process led SME Card, enabling them to establish and flourish their businesses.
- ii. To promote entrepreneurship and industrialization in Punjab.
- iii. To generate employment and drive economic development across the province of Punjab.

11. (A) SUMMARY OF COST ESTIMATES

(Rs. In Million)

	Description	Total Cost
A	Human Resource (Annex-A)	30.504
	I.T Equipment (Annex-B)	1.100
	Office Equipment (Annex-B)	1.500
	Furniture & Fixtures (Annex-B)	0.650
	Vehicle (Annex-B)	5.200
	Operational Expenses (Annex-C)	45.200

	Description	Total Cost
	Impact Assessment Study	38.00
	External Audit through Chartered Accountants Firm for verification of Quarterly markup payments and credit loss payments to BOP	31.500
	Sub-Total (A)	153.654
B	Funds for Physical Verification, etc. to be paid to Urban Unit (Assumptions: Total No. of applications would be 104,000 and No. of physical verifications will be 4 @ Rs.2,000/- each)	832.00
	Funds for development and maintenance of online portal to be paid to PITB	38.760
	Funds for Call Centre / Helpline to be paid to PITB	12.00
	Sub-Total (B)	882.760
	Total (A + B)	1,034.414
C	Funds for Markup Support / Credit Loss Coverage to be paid to BOP	8,463.585
	Total Cost (A+B+C)	9,500.00

12. RECOMMENDATION

The PC-I of the scheme titled "CM Punjab Asaan Karobar Card", amounting to Rs. 9,500.00 million, was approved by the Provincial Development Working Party (PDWP) on February 14, 2025. Subsequently, the Minutes of the PDWP meeting were meticulously prepared and duly approved by the Chairman, P&D Board, wherein, following decisions were taken (MoM at **Annex-A**);

- i) Lump sum allocation (**Rs. 8463.585 Million**) for mark up support and credit loss coverage, as proposed in total cost of PC-I, will remain intact and Finance Department shall issue 'Letter of Comfort' to BoP in this regard.
- ii) There will be no restriction on the loanees of the other schemes for applying loan under this scheme; however, approval of loan / credit decision will be taken by the Bank of Punjab after due diligence and financial health of the applicant.
- iii) One vehicle (up to 1329 cc) is approved
- iv) The department will circulate amended PC-I in the light of above decisions.

Moreover, Finance Department vide letter No. SO(IMCT)PSIC/6-154/2024 dated 07th March, 2025 has stated that stance of the representative of FD is accurate to the extent of issuance of Letter of Comfort by Finance Department. However, the statement about decision of mechanism to pay over and above the combined provision in ADP scheme at a later stage, has been mis-recorded. Finance Department's view is as under;

As BOP is not going to make any credit loss claims during the CFY 2024-25, the PC-I may be revised in next FY, if required, through CDWP for approval of budget provisions in revised PC-I to cover credit loss claims from development budget, as per approval of Cabinet. Or for Assan Karobar Finance scheme, the AD can make a provision for Credit loss claims of phase-I of the AKF scheme in the PC-I of phase-II which has been principally approved by Cabinet."

Position paper for considering the view point of Finance Department is placed before PDWP.

**DETAIL OF HUMAN RESOURCE REQUIREMENTS INCLUDING QUALIFICATION, EXPERIENCE, AGE, SALARY
STRUCTURE & JOB DESCRIPTIONS**

Sr. No.	Name of Post	No. of Post	Qualification	Experience	Age	Salary	Major Jobs Description
1	Manager (Business Development & Claims)	2	16-years education in Finance / Commerce / Economics / Accounting / Public Administration or equivalent degree from HEC recognized university/ Institution.	At least 03 years post-qualification experience in dealing financial matters in reputable public/private /commercial Financial Institution(s)/ Government / Semi Government Organizations.	Up to 45 years	200,000 (PPS:7)	<ul style="list-style-type: none"> • To maintain liaison with BOP, PITB and Urban Unit for compliance of all relevant functions described in Framework Agreement and Service Level Agreement(s). • To deal with the markup support claims and credit loss claims received from BOP and payment against claims to BOP. • To develop comprehensive and transparent claim settlement mechanism in consultation with Bank of Punjab. • To receive, analyze and process financial claims of BOP regarding markup support and credit loss payments or any other charges, etc. • To coordinate with external auditor in timely verification of Quarterly markup payments and credit loss payments to BOP. • To ensure transparent utilization of funds under rules and regulations / policies / PC-Is to avoid complications at later stage. • To develop recovery mechanism from BOP under recovery of defaulted amount and settlement / adjustment with BOP • To develop mechanism for transparent utilization of loans application fee / processing fee.

Sr. No.	Name of Post	No. of Post	Qualification	Experience	Age	Salary	Major Jobs Description
							<ul style="list-style-type: none"> • To keep record of all claims / transactions made from government funds • To maintain data regarding claims disposed of and under process on case to case basis. • To assist Director (F&A), PSIC in timely release of funds from the Government with the approval of MD, PSIC. • To maintain complete record of funds released from Government and its utilization. • To examine the progress reports submitted by BOP on monthly basis • To develop a strong liaison with stakeholders regarding operations of the project. • To undertake all possible business development activities from time to time. • To develop PC-IV of the project before completion of gestation period of the project and get it approved from PSIC Management. • Any other job/task assigned by Director (C&M)/ Director (F&A)/PSIC Management.
	Total Posts	2					

Terms & Conditions:

1. Salary will be paid after deduction of all applicable taxes.
2. Annual increase @**10%** of the salary is added in the above calculations from **2026-27**. However, annual increase will be determined / approved by the PSIC Management subject to performance of the officers.
3. Above project posts, being purely temporary in nature will be automatically abolished immediately upon the expiry of contract period of the officer.

ANNEX-B**I.T Equipment****(Rs. In Million)**

Description	Qty.	Unit Price	Total
Laptop	2	0.300	0.600
Scanner	1	0.040	0.040
Wireless laser jet Printer	2	0.200	0.400
External Hard Drive	2	0.030	0.060
Total			1.100

Office Equipment

Description	Qty.	Unit Price	Total
Photo Copier Machine	1	1.500	1.500
Total			1.500

Furniture & Fixture

Description	Qty.	Unit Price	Total
Executive Table with Revolving Chair, Side Rack & 4 Visitor Chairs	2	0.250	0.500
Visitors Chairs	10	0.015	0.150
Total			0.650

Vehicle

Description	Qty.	Unit Price	Total
Car (1329 CC including registration charges, etc.)	1	5.200	5.200
Total			5.200

ANNEX-C**OPERATIONAL EXPENSE / CONTINGENCIES****(Rs. In Million)**

Sr. No.	PARTICULARS	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Total
1	Advertisements / Media Campaign	23.500	4.00	3.00	3.00	0	0	33.50
2	Stationery & Printing	0.500	0.500	0.500	0.200	0.150	0.150	2.00
3	Repair & Maintenance of Office Equipment	0.100	0.200	0.300	0.300	0.300	0.300	1.500
4	Repair & Maintenance of IT Equipment	0	0.050	0.100	0.050	0.100	0.100	0.400
5	Repair & Maintenance of Furniture & Fixture	0	0	0.100	0.050	0.050	0.100	0.300
6	Repair and Maintenance of Vehicle	0.100	0.200	0.200	0.200	0.200	0.100	1.00
7	POL	0.200	0.500	0.500	0.500	0.400	0.400	2.50
8	TA / DA	0.200	0.500	0.500	0.500	0	0	1.700
9	Others / General Charges	0.100	0.100	0.100	0.100	0.100	0.100	0.600
10	Miscellaneous / Unforeseen	0.300	0.400	0.400	0.300	0.200	0.100	1.700
TOTAL		25.00	6.450	5.700	5.200	1.500	1.350	45.200