

## Frequently Asked Questions (FAQs)

### GENERAL

#### **How and where can I get information about this scheme?**

All the information regarding loan scheme is available on <https://kamyabjawan.gov.pk/home/yesprogram>. Besides, you can contact nearest branches of participating banks for guidance and assistance.

#### **Who can apply?**

- i. All men/women holding CNIC, aged between 21 and 45 years with entrepreneurial potential are eligible. For IT/ E-Commerce related businesses, the lower age limit will be 18 years.
- ii. Small and medium enterprises (startups and existing businesses) as per definition of SBP and owned by youth as per above mentioned age brackets are also eligible.

For IT/E-Commerce related businesses, at least matriculation or equivalent education will be required.

#### **How can I apply for this loan?**

Simply fill the form at the following link/ address and submit:  
<https://kamyabjawan.gov.pk/bankform/newapplicantform>

#### **Is this scheme only for startups?**

No. This scheme is for both startups as well as existing micro and small business enterprises.

#### **My application was under process. Should I re-apply?**

You will be contacted by your designated bank once the process is complete. However you can always re-apply if you want to avail the increase in maximum loan size announced recently.

#### **Can loan be applied physically in branches?**

No physical application is not allowed. All applications have to be submitted online at the following link/ address: <https://kamyabjawan.gov.pk/bankform/newapplicantform>

#### **Which banks are participating in this scheme?**

Following banks are participating in this scheme:

- Allied Bank Limited
- Albaraka Bank Limited
- Askari Bank Limited
- Bank Al Falah
- Bank Al Habib

- BankIslami Pakistan Limited
- Bank of Khyber
- Bank of Punjab
- Dubai Islamic Bank Limited
- Faysal Bank Limited
- First Woman Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- JS Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- MCB Islamic Bank Limited
- National Bank of Pakistan
- Sindh Bank Limited
- Soneri Bank Limited
- United Bank Limited

**What is the maximum and minimum age requirement for applicants?**

The minimum age for the applicant under this scheme is 21 years at the time of application submission. However, it is relaxable to 18 years in case of applicants applying for IT or Computer related businesses. The maximum age limit is 45 years at the time of application submission

**What if a person's age is within maximum age limit at the time of application submission but exceeds this limit by the time loan is approved and/or disbursed?**

Applicant is required to be 45 years or less in age at the time of application submission. If a person was 45 years of age at the time of application submission and his age exceeded 45 years before the loan was approved and/ or disbursed, this will not affect the eligibility of applicant.

**Does maximum age limit apply on all the business partners?**

At least one business partner's/director's age should comply with the age limit defined under this scheme (21-45 years).

**What is the minimum educational requirement for an applicant?**

There is no general requirement of minimum educational qualification, though it will be a favorable consideration for decision making by banks. However, in case of businesses which compulsorily require certain qualification, certifications, diplomas, authorizations or licenses, the same must be held by the applicant.

**Does any gender have any priority?**

There is no gender discrimination in this scheme and applicants of all genders are offered equal opportunities. However, considering the ground realities and to protect the fair gender, a minimum of 25% share on aggregate basis of all loans is kept for women.

**Can employed persons also apply for this loan?**

Yes. Persons employed in private jobs can also apply.

**Can an existing businessmen also benefit from this scheme?**

Yes. Existing micro and small enterprises can also benefit from this scheme.

**Can more than one person of the same family apply for this loan individually and independently?**

Yes. However, one family member cannot apply in another's name.

**Can two or more person jointly apply?**

Yes. But they will be jointly and severally (individually) liable for the loan.

**Can a non-resident Pakistani apply?**

No. This scheme is only for resident Pakistanis.

**How many loans can a person avail?**

A person cannot avail more than one loan. However, after the repayment of his/ her first loan and issuance of clearance certificate from his/her bank, he/she may apply for second loan.

**Can blood relatives of employees of participating banks apply?**

Blood relatives of employees of participating banks cannot apply for loans under this scheme from the banks where their blood relatives are employed. This is a necessary measure to avoid conflict of interest. However, these blood relatives may apply for loans under this scheme from banks other than those where their blood relatives are employed.

**Can government employees apply?**

No. Government employees are strictly barred from applying under this scheme.

## **APPLICATION SUBMISSION**

**Can anybody help me in submitting the loan application form?**

You can contact nearest branches of participating banks for guidance and assistance. Moreover you can visit Citizens' Portal app for related queries.

**Is there any processing fee to be paid for application?**

You only have to pay Rs. 100/= (Rupees One Hundred Only) as a processing fee inclusive of NADRA online CNIC verification fee.

**Is this processing fee refundable?**

No, processing fee is non-refundable.

**When and how can I withdraw my application?**

You can withdraw your application any time before your application is approved or rejected. In case your application is approved, you can withdraw your application by rejecting the offer. In case your application is rejected, you cannot withdraw your application and the status of your application will remain as 'rejected'.

**How do I would know that my application has been accepted for processing?**

Upon submission of your application on the portal and verification of credentials by NADRA, an SMS message will be delivered to your provided cell number with confirmation of application submission and details of your selected bank and assigned branch.

**What if I wrongly filled a form and needed a reprint/ another form?**

There is no physical form. Application forms can only be filled and submitted online at this address: <https://kamyabjawan.gov.pk/bankform/newapplicantform>. To help you check and correct or make changes, you can fill out the form at portal and save before submission for proof reading and corrections. But no corrections can be made after an application is submitted. Therefore, all applicants are advised to fill out the form correctly and with utmost care. Save the filled out form before submission, proof read all the fields for accuracy and then submit it.

**Are there any business consultants appointed to facilitate applicants in submission of loan applications?**

There are no consultants appointed for this purpose. However the instructional video and manuals in both English and Urdu languages are available on the portal to help you fill the form conveniently. Moreover you can visit Citizens' Portal app if you any have further queries.

**Can any business consultant guarantee the success of loan application?**

All applicants are strongly advised to refrain from using any unethical means to influence the decision making process. This scheme is totally based on merit. No person or entity can guarantee the success or otherwise of any application submitted in this scheme. All applications complying with the terms and conditions of the scheme will be treated strictly on merit and as per the credit policies of the participating banks, SBP regulations and relevant laws and rules. Any effort to influence the decision making process will render that applicant permanently ineligible.

**Are there any fast track, special or high success branches and/ or areas nominated for this scheme?**

There is no fast track, special or high success branches or areas. There is a standard procedure and timeline for processing of applications for all participating banks.

## **ELIGIBLE BUSINESSES**

### **What type of businesses are eligible under the scheme?**

All businesses which are ethical and permitted under the law are eligible for this scheme.

### **Is there a positive businesses list?**

There is no positive or negative list of businesses as such. However, applicants are advised to select businesses which are ethical, legal, and commercially viable in their respective areas and for which they possess required minimum knowledge, experience, training and support.

### **Is there a negative businesses list?**

There is no positive or negative list of businesses as such. However, applicants are advised to select businesses which are ethical, legal, commercially viable, and suitable for applicants' respective areas and for which applicants possess required minimum knowledge, experience, training and support.

### **How do I choose a business that suits me?**

Applicants are advised to select businesses which are ethical, legal, commercially viable, and suitable for applicants' respective areas and for which applicants possess required minimum knowledge, experience, training and support.

### **Can I submit my own business feasibility report?**

Yes.

### **What factors I must consider before selecting a business?**

An applicant must select business very carefully and for this purpose consideration of following factors is extremely important:

- Regional suitability and appropriateness of business
- Applicant's own motivation and aptitude
- Applicant's skillset, experience, education and training
- Demand for product/ services of business and existing supply (Competition)
- Business set up cost and gestation time
- Minimum Fixed overheads and break-even point
- Revenues and margins
- Relevant Foreseeable Risks and available mitigates

## **SECURITY & COLLATERAL**

### **Can I provide a third party collateral to secure my loan?**

Yes, third party collateral is eligible under this scheme subject to acceptance of participating banks.

### **Can an applicant change the collateral offered?**

Applicant cannot change the collateral offered after a loan is disbursed unilaterally and without the consent of the bank.

### **What are the legal charges and who bears them?**

Legal charges would depend on collateral type and may vary from bank to bank. Customers would pay these charges on cost basis.

### **What are the collateral valuation charges and who bears them?**

Valuation charges would depend on collateral type and may vary from bank to bank. Customers would pay these charges on cost basis.

## **PRICING, EQUITY AND REPAYMENT TERMS**

### **What is the markup rate for this scheme?**

Loans provided under Prime Minister's Kamyab Jawan Program are now segregated into 3 tiers.

- Tier 1: The range is 100,000 upto 1 million PKR with 3% markup
- Tier 2: The range is above 1 Million upto 10 Million PKR with 4% markup
- Tier 3: The range is above 10 Million upto 25 Million PKR with 5% markup

### **How would the loan be repaid?**

Loan can be repaid in equal monthly, quarterly, bi-annually or annually installments. However, the exact repayment terms would depend upon the specific business types and banks' decision. The applicant is encouraged to negotiate these terms at the time of finalization of loan with the bank.

### **Is there any grace period?**

Scheme allows a maximum of 1-year grace period. However, the exact grace period would depend upon the specific business types and banks' decision. The applicant is encouraged to negotiate these terms at the time of finalization of loan with the bank.

### **Would I be required to make any payments during grace period?**

Scheme allows a maximum of 1-year grace period. However, the exact grace period would depend upon the specific business types and banks' decision. During grace period, applicants may be required to make Zero payments with accrued grace period markup capitalized and repaid over the tenor, or Payment of markup only.

### **Can I make early repayments (balloon payments) in addition to my contractual re-payments?**

Yes. Applicants can make early repayments during the loan tenor which would reduce the principal portion of their liability. There is no limit on the number of balloon payments. A borrower can make balloon payments only if the loan is regular, that is there are no overdue installments. An applicant making balloon payment has the option to reduce the loan repayment period, or have the installment reduced or opt for a combination of both of these options. Subject to terms negotiated with bank.

### **How many balloon payments are allowed?**

There is no limit on the number of balloon payments. Subject to terms negotiated with bank.

### **Are there any conditions for balloon payments?**

A borrower can make balloon payments only if the loan is regular, that is there are no overdue installments. Subject to term negotiated with the bank.

### **Are there any options in case of balloon payments?**

An applicant making balloon payment has the option to reduce the loan repayment period, or have the installment reduced or opt for a combination of both of these options.

### **Can I repay the loan in full before the contracted maturity period?**

An applicant can repay the loan in full any time before the loan maturity date. There are no penal charges for such early repayment. Subject to terms negotiated with the bank.

### **Is there any penalty for early repayments?**

An applicant can repay the loan in full any time before the loan maturity date. There are no penal charges for such early repayment. Subject to terms negotiated with the bank.

## **LOAN SANCTIONING & DISBURSEMENT**

### **What is the loan sanctioning process?**

Loan sanctioning process, generally, consists of following stages:

- 1) NADRA Verification of Credentials
- 2) Telephonic verification by bank of applicant
- 3) Verification of applicants credit history through SBP
- 4) Physical verification of applicant. For new business applicant the proposed site of business along with residence will be verified and for existing business, there business location will be verified.

- 5) Analysis of business feasibility provided by applicant
- 6) Credit decision by bank based on risk analysis
- 7) If approved, then applicant must provide timely security/collateral as well as required equity contribution.

The above processes are given as a general guideline only, the exact process may vary from bank to bank according to their own internal processes. Applicant must prepare themselves accordingly for a vigorous verification procedure.

#### **How much time is taken in deciding on loan application?**

The processing time of an application depends on the volume of applications received by each bank. This is a 5 year program and processing will be done accordingly. New applicants will be processed on first come first served basis. To reduce the time of process, applicants are requested to have themselves prepared for a rigorous verification procedure.

#### **Is there any way I can find out the status of my loan application during the loan processing stage?**

Yes. You can check the status of your application on the Kmayab Jawan portal <https://kamyabjawan.gov.pk/home/yesprogram>.

#### **How would I know if my loan application has been approved or rejected?**

You can check the status of your application on the Kmayab Jawan portal <https://kamyabjawan.gov.pk/home/yesprogram>. Besides, whenever an application is approved or rejected, the bank will send an SMS to the applicant's provided cell number apprising him/her of the decision on his/her application.

#### **Where can I complain about unnecessary delays in the processing of my loan application?**

Visit Citizens' Portal App if you have any complaint or query.

#### **What is the process after a loan is approved?**

After a loan is sanctioned and customer is notified through SMS and applicant has accepted the offer, following steps are required to be taken:

- Applicant has to open an account with the bank
- Deposit required equity
- Provide collateral, if required
- Execute legal forms

#### **If a loan application is approved, is it guaranteed that loan will be disbursed to the applicant?**

Applicant has to fulfill all pre-disbursement formalities as mentioned in the Offer Letter. Loan shall not be disbursed until all formalities as required in the offer letter are completed.

#### **Is it possible that a loan approved by bank is less than the amount applicant had applied for?**

Yes. The sanctioned amount is calculated after an extensive credit decision making process and may be less than the amount applied for by the applicant.

## **APPLICATION FILLING**

### **QUALIFICATION DETAIL**

**I am skilled but I do not have any certification, what type of other proofs are acceptable?**

You may upload experience certificate or recommendation letter. Please note that uploading proof is not compulsory.

**Do I need to upload all my educational degrees/certifications?**

No, only upload the most recent educational certificate/degree. However more than one degree can be combined into one file and then uploaded.

**I have more than one technical skills certificate, what should I upload?**

Upload the most relevant certification. In case all your certifications are relevant then combine them in a single pdf file and upload.

### **BUSINESS INFORMATION**

**My relevant industry category, business sector or subsector is not in the drop down menu.**

You can choose the option 'Other'. However banks prefer specific answers.

**Can I change my business name any time later?**

Yes it can be changed, however, any change will be required to be registered with the bank and documentation will have to be updated accordingly.

**Can an applicant change his selected business after application submission?**

No. Applicant cannot change the business he/she had selected after an application is submitted. However, applicant can withdraw his /her submitted application and apply afresh with the changed business.

**Am I eligible to apply if my business is not registered?**

Yes, you can apply. However priority will be given to the registered businesses.

**I have an online business and do not have any physical address of my business. What should I mention?**

Mention your residential address.

**I have a cab/taxi business. What should I mention under business address?**

Mention your residential address.

**My utility bill is not registered in my name. Do I still need to mention the consumer ID of my utility bill?**

Yes, it is compulsory to mention the consumer ID number of utility bill of your residence, and in case of an existing business, of the business location, even if it's not in your name.

**Is it obligatory to have NTN before applying for the loan?**

It is not compulsory, however having an NTN will increase chances of success for the applicant.

**What is entity type? Can you please elaborate the options mentioned in its drop down menu?**

Entity type means the basic ownership structure of your business.

- A **sole proprietorship** is a form of doing business where one person owns and runs a business under a specific business name. Any person interested in doing a business may start the same at any time by giving a particular name to its business. To start a business as a “sole proprietorship” no prior registration of it is required with any government department or authority.
  
- A **partnership firm** is a relationship between two or more persons who have agreed to share profits of a business according to their participation. The partners are collectively called a “firm” and the name under which they do business is called the “firm name”. Any two or more persons (up to 20) can form a partnership to do any one or more businesses through an agreement in writing. It is not compulsory in law to register a partnership. However, a registered partnership has more advantages than an un-registered partnership.
  
- A **limited company** means a company having a limit on the liability of its members.
  - (a) a company limited by shares means a company; having the liability of its members limited by the memorandum to the extent of amount, if any, remaining unpaid on the shares respectively held by them;
  
  - (b) a company limited by guarantee means a company having the liability of its members limited by the memorandum to such amount as the members may respectively thereby undertake to contribute to the assets of the company in the event of its being wound up.

**LOAN DETAILS**

**Do all the banks have same selection criteria?**

Yes, all the banks have same selection criteria.

**Can you apply for the loan through more than one banks?**

No

**What is tier type?**

Loans provided under Prime Minister’s Kamyab Jawan Program are now segregated into 3 tiers.

- Tier 1: The range is 100,000 to 1 million PKR with 3% markup
- Tier 2: The range is 1 Million to 10 Million PKR with 4% markup

- Tier 3: The range is above 10 Million to 25 Million PKR with 5% markup

### **What is the maximum tenure of loan?**

The maximum tenure for repayment of loan is 8 years including a maximum of 1-year grace period. However, the exact loan duration and grace period for each loan depends on type of business and judgment and decision making of participating banks.

### **What should I write under equity contribution?**

The equity contribution is your own financial input in the business from the amount you already possess.

For example if the total estimated cost of your business is 4 lac. You have 2 lac from your own income/resources and you are applying for the 2 lac loan. So in that case your equity contribution in the business would be 50%.

### **How much equity do I need to deposit/pay from my own sources?**

Please note that equity is only required for new businesses. For loans equal to Rs. 100,000 and upto Rs. 1 million (Tier-1), minimum equity required is 10% while for loans above Rs. 1 million upto Rs. 25 million (Tier-2 & Tier-3), minimum equity required is 20%. Existing businesses are not required any equity.

### **Is this equity required to be in cash only?**

The Borrower's contribution of equity could be in the form of cash or immovable property and will be required after approval of loan.

## **SECURITY DETAILS**

### **Do I need to offer security for loan under all tier types?**

No, security is not required for tier 1.

### **What type of assets can be provided as a security?**

You can offer vehicle, land, ornaments, public security or private security. Public security is investment in government bonds while private security is investment in any bond/company shares.

### **What sort of documented proof required for the security offered?**

Land ownership documents, vehicle registration document, signed and stamped market value of the ornaments by bank's designated approved jeweler or scanned copy of public/private securities.

### **What should be the value of security offered/collateral?**

The acceptable value of the collateral would depend upon the type of collateral and the credit policies of participating banks. However, as a general rule, the Forced Sale Value of Collateral should amply cover the loan amount, markup on loan and possible foreclosure costs.

## **BUSINESS PLAN**

**What type of current assets do I need to mention?**

Current assets are for a shorter period of time used in the day-to-day operations of a business to keep it running. For example cash, cash equivalents, accounts receivable, stock inventory, marketable securities, pre-paid liabilities, and other liquid assets.

**What type of fixed assets do I need to mention?**

Fixed assets are long-term, physical assets such as machinery, plant, equipment, shop/building ownership etc.

**What do I need to mention in current liabilities?**

If applicable mention accounts payable, short-term debts, income taxes owed etc.

**What do I need to mention in long-term liabilities?**

If applicable mention your long term liabilities e.g. bonds payable, long-term loans, capital leases, deferred income taxes etc.

**Am I still required to mention business revenue in case of new business?**

Yes, mention rough estimated revenue.

**I do not have any current employees.**

Type '0'.

**Is it compulsory to upload recommendation letter?**

Only the fields with (\*) are compulsory.

**REFERENCES****Can I provide personal references or only professional references are required?**

Please note that you cannot add reference of your blood relatives. Contact details of any other person/acquaintances can be mentioned as a reference.

**How to complaint or leave a query?**

Visit Citizens' Portal App if you have any complaint or query.