

**EXPENDITURE REGULATIONS  
OF  
PUNJAB BACKWARD CLASSES LAND  
DEVELOPMENT AND FINANCE CORPORATION**



**BACKFINCO**

## EXPENDITURE REGULATIONS OF PUNJAB BACKWARD CLASSES LAND DEVELOPMENT AND FINANCE CORPORATION

In exercise of the powers conferred by section 34 of the Punjab Backward Classes Land Development and Finance Corporation Act, 1976 (Punjab Act No. 27 of 1976), and with the previous sanction of the State Government, the Board hereby makes the following regulations, namely :-

1. **Short Title :-** The Regulations shall be known as the Punjab Backward Classes Land Development and Finance Corporation (Expenditure Regulation) 1979.
2. **Commencement :-** These regulation shall come into force with effect from 29th January, 1979.
3. **Definition :-** In the Regulations :-
  - (a) "The Act" means "The Punjab Backward Classes Land Development & Finance Corporation Act, 1976
  - (b) "Expenditure Regulations" means "The Punjab Backward Classes Land Development & Finance Corporation (Expenditure Regulation), 1979".
  - (c) "Corporation" means 'The Punjab Backward Classes Land Development & Finance Corporation set up under Section 3 (1) of the Act.
  - (d) "Year" shall mean the financial year, i.e., the year ending 31st March.
  - (e) "Board" means 'The Board of Directors' constituted under section 7 (1) of the Act.
  - (f) "Executive Director" in relation to any power exerciseable by him shall include & shall always be deemed to have included any Director or Officer authorised by the Government of State of Punjab to exercise the powers and functions of the Executive Director during the temporary absence of the Executive Director.
  - (g) "Secretary" in relation to any power exercised by him includes an officer authorised by the Executive Director to exercise the powers of the Secretary during the temporary absence of the Secretary from the head office of the Corporation and shall include the Accounts Officer to the extent of specific delegation that may be made in his favour by the Executive Director generally or for specified periods of time.
  - (h) "Accounts Officer" in relation to any powers exercised by him includes an officer authorised by the Executive Director to exercise the powers of the Accounts Officer during the temporary absence of the Accounts Officer from the Head Office of the Corporation.
  - (i) Other terms and expressions have the same meaning respectively assigned to them in the Act.
4. **Powers conferred by other regulations not effected :-** Nothing in these Regulations shall limit or derogate from any powers conferred on, or delegated to the Executive Director by or under the general Regulations of the Corporation, nor shall anything here in apply to the granting of loans or advances subscribing to debentures or expenditure incurred in connection therewith or incidental there-to or to the doing of any other act which is to be done or is required to be done in the prescribed manner by or under the provisions of the Act or by any specific regulation made or to be made thereunder.

5. **Control of Executive Director Over Secretary and the Accounts Officer :-** The exercise of powers delegated to the Secretary or the Accounts Officer as the case may be, by or under these Regulations shall be subject to such general or special orders as may be issued to the Secretary or the Accounts Officer, by the Executive Director from time to time.
6. **Passing Officer to satisfy regarding reasonableness of Claims :-** Before authorising the payment of any bill or claim the authority empowered to pass the bill or claim shall satisfy itself that the bill or claim is reasonable and in the case of bill or claim or any article of dead stock, stationery or stores purchased for the Corporation, that the necessary steps have been or will be taken to keep a proper record in respect thereof.
7. **Prior varification of bills :-** No payment may be made on behalf of the Corporation unless the relative bill or claim in respect thereof has been duly verified and has been passed for payment by an authority competent to incur the expenditure under the Regulations.
8. **Then tenders may not be called :-**
  - (1) Except in the circumstance mentioned in sub-clause (a) or (b) of clause (2) of this Regulation no article of dead stock stationery or stores involving total expenditure of more than Five hundred at a time in any one instance may be purchased by or on behalf of the Corporation unless tenders or quotations therefor have been called from atleast three reputed firms, suppliers or contractors on Government approved list.
  - (2) It will not be necessary to call tenders or quotations in the following circumstances.
    - (a) Where the supply is obtained from a Government institution or from Contractors approved by Government for supply of such articles at approved rates. or
    - (b) Where articles are required urgently and delay will cause serious inconvenience or dislocation of work if the purchase thereof is deffered untill after the tenders or quotations have been called for and examine.
  - (3) The reasons for making purchase without inviting tendors or quotations shall be recorded in writing in every case.
9. **Exercise of Powers of secretary during his absence :-** The powers exercisable under these Regulations by the Secretary may in his absence be exercised by such other officers as may be authorised in writing in this behalf by the Executive Director.
10. **Establishment Account :-**
  - (1) The expenditure under the following heads of Establishment Account may be incurred by the Secretary or Accounts Officer as and when claims become payable provided that the payments are abmissible under the Rules and Regulations of the Corporation and also terms and appointment of officer and other employees concerned :-
    - (a) Pay including special pay.
    - (b) Dearness allowance.
    - (c) Compensatory Allowance.
    - (d) House Rent Allowance.
    - (e) Conveyance Allowance.
    - (f) Contribution of Provident Fund.
    - (g) Leave Salary Contribution.

- (h) Pension Contribution.
- (i) House Rent Contribution.
- (j) Interim Relief/ Adhoc relief.
- (2) **Gratuity and payment on compassionate grounds :-** All expenditure under this head require the specific approval of the Board in each case.
- (3) **Medical Reimbursement Bills :-** All expenditure under this head shall be incurred with the specific approval of the following officers/authorities upto the limit indicated against each :-

**Reg No. 10(3) Amended in 116th meeting of BOD held on 28-11-08.**

Name of the sanctioning authority	Amount
(1) Executive Director	Upto Rs. 25,000 in an individual case per month
(2) Chairman	Exceeding Rs.25,000in an Individual case per month

- 10(b) General Charges Accounts :-** (1) Directors Fees and other Allowances :- Directors Fees and other Allowances may be paid by the Secretary in accordance with the provisions of the rules framed by the Government under Section 35 of the Act.
- (2) **Auditors Fees and expenses :-** Auditors fees and other expenses may be paid by the Secretary on such scale as may be fixed by the Board.
- (3) **Law Charges :-** Monthly retaining fees as may be payable to a legal Adviser of the Corporation under the terms of his appointment duly approved by the Board shall be paid by the Secretary or Accounts Officer. All other expenditure under this head also be paid by the Secretary upto the financial limit of Rs. 1000 at a time with the sanction of the Executive Director and Rs. 1500 at a time with the sanction of the Chairman. Expenditure in excess of these limits shall ordinarily require the specific prior approval of the Board., but in case of urgency and emergency the Executive Director may incur any such expenditure and report his action in that behalf to the Board at its next meeting for ex post facto sanction.

**Reg No. 10(b) 3 Amended in 65th meeting of BOD held on 30-12-91.**

Name of the sanctioning authority	Amount
(1) Executive Director	Upto Rs. 10,000 +10% at a time as a clerkage
(2) Chairman	Upto Rs.15,000 +10% at a time as a clerkage

- (4). **(i) Rent, Taxes, Insurance, Lighting etc. :-**

- (a) **Rent, Rate and Taxes :-** The Secretary or Accounts Officer may pay, the rent of premises or other property leased to the Corporation, in accordance with the terms of relative leases or agreement executed, entered into, with the prior approval upto Rs.5,000/-p.m. of the Executive Director, upto Rs. 7,000/- p.m. with the approval of the Chairman and beyond that with the approval of the Board.

**Reg No. 10(b) 4(i) Amended in 114th meeting of BOD held on 25-4-07.**

The Board authorised the Executive Director to incur expenditure in each case upto Rs 50,000/- per month, and upto Rs.1,00,000/- per month with the approval of Chairman.

- (b) rates and taxes on the scale applicable to the property involved, on presentation

- of the relative bill ; and
- (c) Such other Rates, Cesses and Taxes as may be levied by the State or Central Government or any other authority from time to time.
- (4) (ii) **Insurance :-** (a) Premia on insurance policies taken to insure the Corporation's premises and their contents against loss or damage by fire and or earthquake may be paid by Secretary / Accounts Officer as and when they fall due provided that the taking out of such policies has been approved by the Board.
- (b) Premia on travel and other policies taken for the benefit of the officers and other employees of the Corporation may be paid by the Secretary or Accounts Officer in accordance with the respective Rules and Regulations of service of the concerned officer or other employees.
- (c) Premia on insurance of moveable property including machinery belonging to the Corporation shall be paid by the Secretary provided that the taking out-of such policies have been approved by the Executive Director.
- (iii) **Electricity and Water charges :-** Bills in respect of electricity and water consumed in the office of the Corporation may be paid by the secretary or Accounts Officer, who shall however, be responsible to see that an effective check is maintained to avoid wastage of electricity and water in order to keep the expenditure under this sub-head as low as possible.
- (5) **Postage, Telegram and Telephones :-** (i) Expenditure under this head, which must be kept as low as possible may be authorised by the Secretary, as and when necessary, provided that the approval of the Board shall also be required before a telephone line or connection is installed at the office or at the residence of any of the officer of the Corporation.
- (ii) Regarding the number of total calls permissible to an officer of the Corporation for the telephone provided at his residence, the same practice will be followed as in the case of telephones, provided by Govt. at the residence of its officers of equivalent status, with such relaxation or modification, as may be approved by the Board from time to time.
- (6) **Printing :-** The charges incurred on the printing are debitable to this sub-head. Printing charges debitable to this sub-head may be incurred by the Secretary /AGM (Fin.) when the amount involved in any one case does not exceed Rs. 1,500/- or Rs. 500/- respectively and with the prior approval of the Executive Director in other cases.
- Reg No. 10(b) (6) Amended in 114th meeting of BOD held on 25-4-07.**
- (7) **Depreciation and Repairs to Corporation's Property :-**
- (a) **Depreciation on Corporation's Property:-** Depreciation on the Corporation's Property on the scale laid down by the Board may be effected by the A.O. by adjustment between the Dead Stock Account & the General Charges Account in accordance with such general or special instructions as may be issued by the Executive Director.
- (b) **Repair to Corporations property :-** (i) Expenditure under this sub-head upto a sum of Rs.10,000 in any one financial year may be incurred by the Executive Director
- (ii) Expenditure upto a sum of Rs.15,000 in any one financial year may be sanctioned by



- the Chairman.
- (iii) Expenditure in excess of Rs. 15,000 in any one financial year requires the sanction of the Board.
  - (8) **Banks and Agency Charges :-** Any commission, exchange or other charges payable to any bank or other agent of the Corporation in terms of any arrangement or agreement approved by the Board or to the post office on account of money order Commission may be paid by the A.O. but all other expenditure debitable to this head shall require the approval of the Executive Director.
  - (9) **Miscellaneous :-** (a) **Books and News Papers :-** (i) Subscription may be paid by debit to the sub-head by the Accounts Officer for the supply of a copy of each of the official gazettes of the Central Govt. and the State Govt. and two daily and two weekly financial papers of repute as well as any other periodical or daily/ weekly newspapers approved by the Executive Director.
    - (ii) Expenditure upto a sum of Rs.500 at a time and Rs. 5,000 in any one financial year may be incurred by the Executive Director on the purchase of Books, market report or other publications on law, banking, economics or finance for the Benefit of the Corporation and its staff upto Rs. 1,000 at a time and Rs. 10,000 in any financial year.
    - (iii) All additional expenditure under this sub-head requires the sanction of the Board.
  - (b) **Uniforms :-** (i) Subject to the provision of sub clause all expenditure under this Sub head requires the specific sanction of Executive Director in each case.
    - (ii) The scale of uniforms and other conditions for their supply to drivers and class IV employees of this Corporation will be the same as applicable to corresponding Punjab Government employees.
  - (c) **Advertisement and notice :-** Expenditure upto Rs.20,000/- in a financial year under this sub-head may be incurred by the Executive Director and for expenditure exceeding this limit and upto Rs. 25,000/- (Rs. Twenty five thousand only) prior approval of the Chairman shall be obtained in each case, Expenditure in excess of Rs 25,000/- shall, however, be incurred with the approval of the Board.  
(Amended in 114th meeting of BOD held on 25-4-07.)
  - (d) **Travelling and Halting Expenses :-** Payment may be made under this sub-head by the Executive Director in accordance with the respective Rules & Regulations of service of the officers or other employees concerned, provided that all travelling and halting allowance bills of the Executive Director may be paid, in conformity with the terms and conditions of his appointment, as approved by the Govt. such bills of the Executive Director shall, however, require the counter signatures of the Chairman.
  - (e) **Entertainment Expenses :-** Payment under this sub-head shall be made by the Secretary with the approval of the Executive Director subject to yearly financial limits of such expenses as laid down by the Board.  
**Reg (10)9(e) Amended in 87th meeting of BOD held on 16-9-97.**  
Entertainment expenses shall be upto Rs.1,000/- p.m. for E.D. and Chairman Expenditure on special BOD meetings with the approval of Chairman
  - (f) **Maintenance of staff Cars and other Vehicles :-** Expenditure under this head shall be incurred with the specific approval of the following officers/ authorities upto the

limit indicated against each :

- (i) By the Assistant General Manager (Accounts) upto Rs. 500/- at a time and by the Secretary upto Rs. 1000/- at a time.
- (ii) By the Executive Director upto Rs. 20,000/- at a time.
- (iii) By the Executive Director beyond Rs. 20,000/- but not exceeding Rs. 25,000 at a time with the approval of the Chairman.

Expenditure beyond Rs. 25,000 at a time, shall require the approval of the Board for its ex post facto sanction.

**Reg. No. 10(b) 9(f) Amended in 114th meeting of BOD held on 25-4-07.**

- (g) **Not Enumerated :-** Any expenditure which is not properly debitable to any other head shall be classified as "Miscellaneous not Enumerated" and may be authorised as follows :-

Sr. No.	Nature of Powers	Powers to whom delegated	Extent of delegation of powers
1.	To sanction non- recurring contingent expenditure not specifically provided in the existing regulations	Chairman E.D. Secy. Acct. Officer	Full powers upto Rs. 10,000/- upto Rs. 500/- upto Rs. 500/-
2.	To sanction recurring expenditure not specifically provided in the existing regulations	Chairman E.D. Secy. Accts.- Officer.	Full powers upto Rs. 5,000/- upto Rs. 500/- upto Rs. 250/-

**Reg. 10(b)9 (g) Amended in 114th meeting of BOD held on 25-4-07.**

Expenditure under this head shall be incurred with the specific approval of the following officers/ authorities upto the limit indicated against each -

- i) By the Assistant General Manager (Accounts) upto Rs.500/- at a time and by the Secretary upto Rs. 1000/- at a time.
- ii) By the Executive Director upto Rs. 15,000/- at a time.
- iii) By the Executive Director beyond Rs.15,000/- but not exceeding Rs 25,000/- at a time with the approval of the Chairman.
- iv) Expenditure beyond Rs. 25000/- at a time, shall require the approval of the Board for its ex post-facto sanction.

**10(b) (10) Stationery and Stores :**

- (i) Every effort must be made to see that the expenditure under this head is kept at a minimum & that there is no wastage, pilferage or unauthorised use of the corporation's stationery and stores.

**Amended in 114th meeting of BOD held on 25-4-07.**

Subject to the provisions of the foregoing sub-regulation, expenditure under this head may be incurred as under :-

- (i) Assistant General Manager (Accts.) upto the limit of Rs. 500/- and upto Rs. 1000/- by the Secretary at a time.
- (ii) Above Rs. 1000/- and upto the limit of Rs. 15,000/- at a time by the Executive Director and upto a limit of 25,000/- at a time with the prior approval of the Chairman.

Such purchases shall, however, be effected under the close control and supervision of the Executive Director and as far as possible from Controller of Stores office of Punjab Govt.

For the amount exceeding Rs. 25,000 at a time the prior approval of the Board shall be required. The other proposal shall be same as in the existing regulations.

- (iii) Loose leaf ledgers, patent binders etc. must not be introduced without the specific approval of the Executive Director in each case.

**(11). Dead Stock Account :**

- (1) a) Premises land etc. The purchase, sale and leasing of all premises, land etc. requires the specific sanction of the Board in each case.
- b) Expenditure of a capital nature on additions and alterations the corpn's premises, land etc. may be incurred with the specific sanction of the Board.

(2) **Electric Installation, fans & other equipment :-** Expenditure upto a total sum of Rs 5,000/- may be authorised by the Secretary or the Assistant General Manager (Accounts) in each case/ and in excess of Rs. 5,000/ and upto Rs 25,000/- in each case by the Executive Director. Expenditure exceeding this limit can be incurred with the approval of the Chairman.

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|--|---------------------------------------|
| (3) Furniture, furnishing and fittings | Expenditure under sub-head (3) to (7) |
| (4) Safes, Cabinets, pad Lacks etc.    | shall be incurred by the ED upto the  |
| (5) Typewriter, duplicating machines.  | limit of Rs.40,000/- in each Finan    |
| (6) Computers/ Fax Photostat Machine   | cial year Expenditure beyond this     |
| and other electronic equipments        | limit shall require the approval of   |
| (7) Miscellaneous.                     | the Chariman.                         |

(12). **Maintenance of service Contracts :** Maintenance of service contracts in respect of the following items or any changes in the terms thereof shall require the sanction of the Executive Director but the recurring charges arising out of such contracts may be paid by the Secretary as and when they fall due :-

- i) Corporation's Building's, including leased premises.
- ii) Electric installation etc.
- iii) Sanitary and plumbing installations, and
- iv) machines (Accounts Machines, Typewriters etc.)

13. a) **Write of the value of priced forms/publications etc. Deleted**  
(Amended in 114th meeting of BOD held on 25-4-07.)

14) **Expenditure :-** Expenditure incurred under various heads/sub head shall be placed before the Board for their information after every quarter.

15) **Financial Position :** The financial position of the corporation shall be placed before the Board every year after the close of the accounts and the allocation of funds required to be made under the Act and Rules shall be approved before their presentation to the



Auditors.

- 16) **Claims of Chairman :** Executive Director will be the controlling officer in respect of claims of Chairman viz. pay, T.A./D.A. etc. and other expenditure.
- 17) **Board's Power to change Regulation :-** The Board shall have the power to delete, add, alter or substitute any of the Regulation from time to time in the interest of the corporation.
- 18) **I.T. and I.T. Related Items :-** Purchase of I.T. and I.T. related items including software and engaging experts full powers to the Executive Directors.
- 19) **Sundry Expenses :-** Sundry expenses for arranging Board meeting/attending delegates from NMDFC/NBCFDC Central Govt. and other states full powers to the Executive Directors.