

(Extract from Punjab Govt. Gaz., (Extra) dated the 30th December, 1992)

DEFENCE SERVICES WELFARE DEPARTMENT

The 23rd December, 1992

No.520.AD.PESCO/53- In exercise of the powers conferred by section 31 of the Punjab Ex-Servicemen Corporation Act, 1978 (Punjab Act No. 33 of 1978) and with the prior approval of the State Government, the Punjab Ex-Servicemen Corporation hereby makes the following Regulations, namely :-

THE PUNJAB EX-SERVICEMEN CORPORATION (EXPENDITURE AND GENERAL) REGULATIONS, 1992

1. (1) Short Title and Commencement. These Regulations shall be called "The Punjab Ex-Servicemen Corporation (Expenditure and General) Regulations, 1992".
(2) They shall come into force from the date they are published in the official Gazette.
2. Definitions. In these Regulations :
 - (a) "The Act" means "The Punjab Ex-Servicemen Corporation Act, 1978 (Punjab Act No 33 of 1978)".
 - (b) "Board" means "the Board of Directors" constituted under section 7 (1) of the Act.
 - (c) "Corporation" means "The Punjab Ex-Servicemen Corporation" set up under Section 3(1) of the Act.
 - (d) "Financial Controller" means an officer authorized by the Board to exercise the powers of the Financial Controller.
 - (e) "Managing Director" means a person appointed under section 7(2) of the Act.
 - (f) "Rules" mean the Rule made under Section 32(1) of the Act.
 - (g) "Year" means the financial year i.e the year ending 31st March.
3. Sanctioning Authority to satisfy itself regarding the reasonableness of claims. Before authorising any payment under any head of expenditure the authority empowered to do so will :-
 - (i) ensure that the bill or claim has been duly verified by the official incurring the expenditure.
 - (ii) satisfy itself that the bill or claim is reasonable;
 - (iii) in the case of bill or claim of any article of dead stock, stationery or stores, satisfy itself that necessary steps have been or will be taken to keep a proper record in respect thereof; and

(iv) ensure that all payments to the officers and employees on account of pay and allowances or expenditure on account of benefits and perquisites are authorized by the Punjab Ex-Servicemen Corporation (Service) Regulations, 1979 as amended from time to time or by general or special order of the Board not inconsistent therewith.

4. Tenders to be called.

(1) Except in the circumstances mentioned in clause (2) of this Regulation, no article of dead stock, stationery or stores involving total expenditure of more than two thousand rupees in any one instance may be purchased by or on behalf of the Corporation unless tenders therefore have been called through Public Notice or quotations therefore have been called from at least three reputed firms, suppliers or contractors.

(2) It will not be necessary to call tenders or quotations in the following circumstances :-

- (a) where the source and rates of supply have been approved by the Central or the State Government ; or
- (b) where articles are required urgently and delay will cause serious inconvenience of dislocation of work if the purchase thereof is deferred until after the tenders or quotations have been obtained ; or
- (c) for purchase of proprietary items.

In each case that the purchase is made without inviting tenders or quotations, reasons shall be recorded in writing.

5. Powers delegated to the Financial Controller : The Financial Controller may incur expenditure under the following Heads, subject to the condition that budgetary provision is not exceeded and the payments are admissible under the Rules and Regulations of the Corporation or have been authorized by general or special order of the Board not inconsistent therewith :-

(1) Establishment Account

- (i) Pay including special pay personal pay and deputation pay ;
- (ii) Dearness allowance and deputation allowance ;
- (iii) Compensatory allowance ;
- (iv) House Rent allowance ;
- (v) Conveyance allowance ;
- (vi) Contribution to Provident Funds ;
- (vii) Leave Salary Contribution
- (viii) Pension Contribution ;
- (ix) Interim relief hot relief ;
- (x) Gratuity.

(2) Medical reimbursement bills allowance :

Upto 300 per month by the Financial Controller
Above this limit by the Managing Director

(3) Ex-gratia and payments on compassionate grounds:

subject to specific approval of the Board in each case.

(4) General Charges Account :

(i) Director's Fees and Other Allowance
Full powers.

(ii) Auditor's Fees and Expenses :

On the scale authorized by the Board.

(iii) Law Charges :

Monthly retaining fee as may be payable to the Legal Adviser of the Corporation under the terms of his appointment. All other expenditure under this head shall require the specific approval of the Board, provided that in cases of urgency and emergency, the Managing Director may authorise such expenditure and inform the Board at its next meeting.

(5) Rent, Taxes, Insurance :

(i) The rent of premises or other property leased to the Corporation, other than accommodation, other than accommodation for the residence of Corporation's officers or employee, upto Rs.5000/- per month. Beyond this limit the prior approval of the Board shall be required.

(ii) Rates and taxes on the scale applicable to the property involved.

(iii) Such other rates, cesses and taxes as may be levied by the State or Central Government or any local or other authority, from time to time.

(6) Insurance Premium on Insurance Policies Taken :

(i) to insure the Corporation's premises and their contents against loss or damage by fire and/or earthquake ;

(ii) for the benefit of the officers and employees of the Corporation provided it is one of the conditions of their service ; and

(iii) to insure the moveable property including machinery of the Corporation as and when they fall due.

(7) Electricity and Water Charges :

Full Powers.

(8) Postage, Telegrams and Telephones :

Full powers, provided that the prior approval of the Board has been obtained for :-

- (i) installing a new telephone connection either at the office or at the residence of any officer ;
- (ii) regularizing local calls from residential telephones in excess of that permissible to officers of comparable rank in the State Government.

(9) Printing :

Upto Rs. 1000 in any single case, and above this limit with the prior approval of the Managing Director.

(10) Depreciation :

- (i) Depreciation on corporation property will be on the scale laid down in the Indian Companies Act, 1956 or the Income Tax Act as amended from time to time.

(11) Repairs to Corporation's Property :

Full powers subject to authorisation by the Managing Director to incur expenditure upto a sum of Rs.10000/- at a time, and in excess of this limit by the Board.

(12) Bank and Agency Charges :

- (i) Any commission, exchange or other charges payable to any bank, or to the Post Office on account of money order commission.
- (ii) Any charges to any agent of the Corporation in terms of any arrangements or agreement approved by the Board.

(13) Miscellaneous :

(i) Books and Newspapers :

Full Powers

- (a) for the supply of official Gazette of the Central and the State Government ;
- (b) for any other periodical/newspaper for official use, with the approval of the Managing Director ; and
- (c) other expenditure, subject to the approval of the Board.

(ii) Uniforms :

On the scale authorized by the Board, subject to the specific sanction of the Managing Director in each case.

(iii) **Advertisements and Notices :**

Within the budgetary provision with the approval of the Managing Director. Expenditure in excess of this limit requires the approval of the Board.

(iv) **Travelling and Halting Expenses:**

(v) **Entertainment Expenses :**

Within the limits laid down by the Board.

(vi) **Maintenance of Staff Cars and Other vehicles :**

Expenditure upto Rs.1000 at a time, and in excess of this, the approval of the Managing Director.

(14) **Stationery and Stores :**

Upto Rs.500 at a time, and above this limit with the prior approval of the Managing Director.

(15) **Immovable Property :**

- (i) Purchase or sale of immovable property and the leasing out or disposal in any other manner thereof.
- (ii) Expenditure of capital nature on addition and alterations of the Corporation's premises, land etc with the prior approval of the Board.

(16) **Electric installations fans and other equipment :**

(other than Cars. Vehicles, air conditioners and telephones)

With the approval of the Managing Director or subject to provision in the budget.

(17) **Maintenance or Service Contracts :**

Maintenance or service contracts in respect of the following items :-

- (i) Corporation's building including leased premises ;
- (ii) Electric installation etc ;
- (iii) Sanitary and plumbing installation ; and
- (iv) Office Machines (Computers and Peripherals, Xerox machines, FAX, accounts machines, typewriters etc.)

Subject to approval of Managing Director.

6. **Expenditure - Not Enumerated** _ Any expenditure which is not properly debitable to any other head shall be classified as "Miscellaneous - Not Enumerated" and may be authorized as follows :-

Sr. No.	Nature of Powers	Powers to whom delegated.	Event of delegation of powers
1.	2.	3.	4.
1.	Non -recurring	Managing Director Financial Controller	Upto Rs.15,000/- at a Time Upto Rs.1500/- at a Time
2.	Recurring	Managing Director Financial Controller	Upto Rs. 5000/-per month Upto Rs.500/-per month

7. **Write Off.** _ In case of loss of any property, stores etc. of the Corporation no due to theft, fraud or neglect but stores rendered absolute, un-serviceable or surplus, the Managing Director may authorise the write off on book

8. **Transaction _ Cash/Bank and Cheques :**

(a) **Cash Book and Daily Cash Tally.** - All cash and bank transactions will be recorded in the Cash Book on the date of the transaction strictly in chronological order. The cash in hand will be :-

(i) Counted and tallied daily at the end of the day with the balance as per the Cash Book, by the Financial Controller :

(ii) on the first of the month, and thereafter once a month surprised check by the Managing Director. The results of the checking will be recorded in the Cash Book.

9. **Bank Reconciliation Statement** :- The bank balance in the Cash Book will be verified by the Financial Controller with the bank reconciliation statement within four days of the Cash check.

10. **Banking of Corporation's Fund** :- The Bank Accounts of the Corporation will be operated as indicated below :-

Cheque upto Rs.5,000	-	Financial Controller
Cheque upto Rs.50,000	-	Managing Director
Cheque above Rs.50,000	-	Managing Director & Chairman

In the event of Managing Director or Chairman being not available the bank operation/documents above Rs.50,000 will be by the Managing Director or Chairman and financial Controller.

11. Accounts, Receipts and Documents of the Corporation by whom to be signed.

- (i) The Managing Director may issue, endorse and transfer promissory notes, bonds, share, securities.
- (ii) The Financial Controller may issue receipt for payments received, endorse and transfer documents on title to goods standing in the name of, or held by, the Corporation.

12. **Expenditure** - Expenditure incurred under various Heads/Sub-Heads each quarter shall be placed before the Board for its information at its next meeting.

13. **Financial Position** - Profit and loss account and Balance Sheet of the Corporation shall be compiled within one month of the close of the Accounting Year and shall be placed before the Board within three months of the close of the Accounting Year. Thereafter the Balance Sheet and the Profit and Loss Account signed by the authorized persons shall be handed over to the Auditors appointed by the Board under the provisions of section 23 of the Act.

14. Budget estimates for the coming financial year will be prepared by the Managing Director and placed before the Board of Directors for approval in the first week of February every year.

15. **Duties of the Managing Director :**

- (a) The Managing Director shall give effect to the decisions taken by the Board, without any delay.
- (b) The Managing Director shall have the powers to negotiate and carry on the usual or authorized business of the Corporation in accordance with the instructions which the Board of Directors or the State Government may issue from time to time.
- (c) The authority to decide whether or not any suit/appeal or any other legal action or proceedings by or against the Corporation be instituted /defended by the Corporation shall be the Board of Directors. But, in case of short notice from a court of law, the managing Director shall have the authority to take a decision in such matters, and to bring the matter to the notice of the Board in its next meeting.
- (d) Plaints etc by whom to be signed – Plaints, written statements, vakalatnamas, affidavits and all other documents connected with legal proceedings, may be signed and verified on behalf of the Corporation by the Managing Director, and legal proceedings for and against the Corporation will be pursued by the Managing Director, who may engage a Counsel for the Corporation, if necessary?
- (e) The Managing Director shall generally do all such acts or things as may be incidental or consequential to the exercise of the powers or the performance of duties aforesaid or any of them.

16. Power of Interpretation :

In case of any dispute or doubt as to the provisions made of these Regulations or the interpretation thereof, the Board shall have the final authority to interpret any such provision in a manner not inconsistent with the Act or the Rules made thereunder.

17. Powers to Redelegate the Power Delegated to Managing Director

The Managing Director may redelegate the powers delegated to him under these Regulations to any officer of the Corporation.

18. Savings – Any thing done or any action taken before the commencement of these Regulations, not inconsistent therewith, shall be deemed to have been done or taken under the relevant provisions of these regulations.**19. Repeal**

- (1) The Punjab Ex-Servicemen Corporation (Expenditure and General) Regulations, 1979 are hereby repealed.
- (2) All resolutions of the Board of Directors inconsistent with these Regulations shall be deemed to be null and void.

20. Powers of Chairman in emergency

In case of emergency or matters calling expeditious/prompt action, "Chairman may pass any order or perform any act with the powers of Board of Director provided that order so passed by the Chairman shall be placed for information before the board of directors in a subsequent meeting".

BRIG. SANTOKH SINGH
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Chandigarh