

**GUARANTEE FUND
BAD DEBTS FUND
FINANCE FUND REGULATION 1978
RELIEF AND COMMON GOOD FUND
REGULATION 1978**



**The Punjab Backward Classes Land Development
and Finance Corporation**

S.C.O. 60-61, Sector 17-A, Chandigarh

THE PUNJAB BACKWARD CLASSES LAND DEVELOPMENT AND FINANCE CORPORATION, CHANDIGARH

Subject:- "GUARANTEE FUND"

In exercise of the powers conferred by sub-section (i) of section 34 read with section 17 of the Punjab Backward Classes Land Development and Finance Corporation Act, 1976 and with the prior approval of the State Government, the Board of Directors make the following Regulations :-

1. **Short Title :-** These Regulations shall be called "The Punjab Backward Classes Land Development and Finance Corporation" Guarantee Fund Regulations, 1978.
2. **Commencement:-** These Regulations shall come into force at once.
3. **Definitions:-** In these Regulations unless there is anything repugnant in the subject or context.
 - (a) 'Act' means the Punjab Backward Classes Land Development and Finance Corporation Act, 1976.
 - (b) 'Corporation' means the Punjab Backward Classes Land Development and Finance Corporation established under section 3 of the Act.
 - (c) 'Fund' means the Backward Classes Land Development and Finance Corporation Guarantee Fund.
 - (d) 'Board' means the Board of Directors of the Corporation.
 - (e) 'Chairman' means the Chairman of the Corporation.
 - (f) 'Executive Director' means the Executive Director of the Corporation.
 - (g) 'Government' means the Government of Punjab.
 - (h) Backward Classes Backward Classes Organisations words have the same meaning as defined in section 2 (b) and (c) of the Act.
 - (i) Words and expressions used in these Regulations which are not defined shall be as prescribed in the Act.
 - (j) 'Year' means the financial year beginning 1st April and ending 31st March next.
4. **Administration:-** The fund shall be maintained by the Corporation and administered by the Chairman and the Executive Director.
5. **Credit:-** (i) To the Guarantee Fund shall be credited every year such sum as may be placed at the disposal of the Corporation for that purpose by the State Government and the interest accrued from time to time on such sum shall also be deposited every year in this fund.
 - (ii) The Corporation may also contribute to this fund such portion of its net profits as may be decided by the Board as provided in section 19 of the Act.
6. **Purpose of the Fund:-** The Corporation stands guarantee on behalf of the loanee whose

immovable property equivalent to the amount of guarantee is mortgaged in favour of the Corporation. When the guarantee is invoked and payment is made to discharge the obligation it will be treated as a loan to the loanee. If the loanee fails to repay the amount either to the Corporation or to financial institution to whom guarantee is given, the Corporation is empowered under sections 24 and 25 of the Act to recover the loan amount as arrears of Land Revenue through the concerned District Collector. In case, the loan has become irrecoverable after exhausting all channels of effecting recovery, the loan is to be written off by debiting the amount along with interest to the 'Guarantee Fund'.

7. **Competence:-**The Chairman and Executive Director shall be competent to order execution of Guarantee bond in respect of the loans to be raised in accordance with regulation 6 to the following extent :-
 - (i) Executive Director with the approval of the Chairman upto 2 lacs.
 - (ii) Board of Directors - Full Powers.
8. **Board's power to change Regulations:-**The Board with the prior approval of Government shall have power to make from time to time, such additions, deletions; alterations or amendments in these Regulations, as it may deem fit and relax any of the provisions contained therein, provided these are not inconsistent with any provision of the Act.

THE PUNJAB BACKWARD CLASSES LAND DEVELOPMENT AND FINANCE CORPORATION CHANDIGARH

BAD DEBTS FUND

In exercise of the powers conferred by sub-section (i) of section 34 read with section 17 of the Punjab Backward Classes Land Development and Finance Corporation Act, 1976; and with the prior approval of the State Government the Board of Directors make the following Regulations :-

1. **Short Title**:-These Regulations shall be called “The Punjab Backward 'Classes Land Development and Finance` Corporation Bad Debts Fund Regulations, 1978.”
2. **Commencement** :- These Regulations shall come into force at once.
3. **Definitions**:-In these Regulations, unless there is anything repugnant in the subject or context :-

(a) 'Act' means the Punjab Backward Classes Land Development and Finance Corporation Act, 1976.

(b) 'Corporation' means the Punjab Backward Classes Land Development and Finance Corporation established under Section 3 of Act.

(c) 'Fund' means the Backward Classes Land Development and Finance Corporation Bad Debts Fund.

(d) 'Board' means the Board of Directors of the Corporation.

(e) 'Chairman' means the Chairman of the Corporation.

(f) 'Executive Director' means the Executive Director of the Corporation.

(g) 'Government' means the Government of Punjab.

(h) Backward Classes/Backward Classes Organisations words have the same meaning as defined in section 2 (b) and (c) of the Act.

(i) Words and expressions used in these Regulations which are not defined shall be as prescribed in the Act.,

(j) 'Year' means the financial year beginning 1st April and ending 31st March, next.

4. **Administration**:-The fund shall be maintained by the Corporation and administered by the Chairman and the Executive Director.

5. **Credit**:-To the Fund shall be credited every year:-

(a) by the Corporation ten percent of its net profile; and

(b) by the State Government such amount as grant as may be equivalent to the amount credited under clause (a) above. Provided that nothing herein shall be deemed to debar the State Government from giving such amount by way of additional grant for being credited to this fund as it may think fit as provided in Section 20 of the Act.

(c) Interest accrued from time to time on such sum shall also be added to this fund.

6. **Operation of the fund:-**The fund shall be operated by the Chairman and the Executive Director.
7. **Purpose of fund:-**The Bad debts fund is to meet the unforeseen Contingencies arising out of the non-realisation of loan amount along with interest accrued thereon from the loanees for loans advanced in cash and kind for various purposes as defined in section 16 of the Act and Annexure VI of Loan Regulations. With a view to avoid any loss in the capital of the Corporation due to non-realization of loan(s) advanced along with the interest accrued thereon, it is necessary to create a fund to be named as 'Bad Debts Fund'. The amount as written off is to be debited to this Fund by giving credit to the Capital Account Of the Corporation.
8. **Bad Debt:-** Any amount of loan advanced to the loanee(s) becomes irrecoverable along with the interest accrued thereon at any time, due to any reason and that all efforts have been made to recover the same .and that the recovery is not .possible by any further means,
9. **Classification of Bad Debt:-** A debt may be classified as Bad, if;
 - (a) A loanee debtor and his sureties' are declared insolvent;
 - (b) A loanee debtor and his sureties have died leaving no property;
 - (c) Both the loanee and his sureties -have become paupers that they have no means of income and property.
10. **Power to declare Bad Debt:-** The Executive Director with prior approval of the Chairman shall be competent to declare any amount of loan along with the interest accrued thereon as 'Bad Debts' if in his opinion there is absolutely no possibility for recovery of such dues by any means. The approval of Board will be obtained in case where amount exceeds Rs. 1,500.
11. **Powers of Board to Change Regulations:-** The Board with the prior approval of Government shall have powers to make from time to time such additions deletions, alterations or amendments in these regulations, as it may deem fit and relax any of the provisions contained therein.

THE PUNJAB BACKWARD CLASSES LAND DEVELOPMENT AND FINANCE CORPORATION, CHANDIGARH

In exercise of 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:-** These Regulations may be called “The Punjab Backward Classes Land Development and Finance Corporation Fund Regulations, 1978”.
2. **Commencement:** - These Regulations shall come into force at once.
3. **Definitions:-** These Regulations unless there is anything repugnant in the subject or context :-
 - (a) 'Act' means The Punjab Backward Classes Land Development and Finance Corporation Act, 1976.
 - (b) 'Corporation' means established under section 3 of it's Act.
 - (c) 'Fund' means The Punjab Backward Classes Land Development and Finance Fund.
 - (d) 'Board' means the Board of Directors of the corporation.
 - (e) 'Chairman' means the Chairman of the Corporation.
 - (f) 'Executive Director' means the Executive Director of the Corporation.
 - (g) 'Government' means the Government of Punjab.
 - (H) 'Backward Classes / Backward Classes Organisations words have the same meaning as defined in Section 2(b) and (c)of the Act of the Corporation.
 - (i) 'Words and expression' used in these Regulations which are not defined shall be as prescribed in the Act.
 - (j) 'Year' means the financial year beginning 1st April and ending 31st March, next.
4. **Administration:-**The fund shall be maintained by the Corporation and administered by the Chairman and the Executive Director.
5. **Credit:-** All amount that are received by the Corporation from any source what-so-ever shall be credited to the 'Land Development and Finance Fund. The interest accrued from time to time in such sum shall also be credited to this fund.
6. The fund shall be kept in one or more of the Schedule Banks, as may be approved by the Board of Directors.
7. **Purpose of the Fund :-** All the amounts that are deposited in this fund from time to time shall be expected by the Corporation for performance of the functions of the Corporation under the Act.

8. **Competence to draw the Amount:-** The chairman/ Executive Director will be competent authorities to draw and disburse the amount subject to the delegation of powers given to them in General Regulation No. 9(d) of the Corporation and shall operate the bank accounts to the extent given below:

(I) Upto Rs. 15000

Executive Director

(ii) Above of Rs. 15000

Chairman and Executive Director (Jointly)

9. **Board's Power to change Regulations:-** The Board with the prior approval of the Government shall have the powers to make from time to time such additions, deletion, alterations or amendments in these Regulations as it may deem fit and relax any of the provisions contained therein, provided these are not inconsistent with any of the previous of the Act.

THE PUNJAB BACKWARD CLASSES LAND DEVELOPMENT AND FINANCE CORPORATION, CHANDIGARH

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

1. **Short Title:-**These Regulations shall be called The 'Punjab Backward Classes Land Development and Finance Corporation Relief and Common Good Fund Regulations, 1978.
2. **Commencement:-**These Regulations shall come into force at once.
3. **Definitions:-**In these Regulations unless there is anything repugnant the subject or context:-
 - (a) 'Act' means the Punjab Backward Classes land Development and Finance Corporation Act 1976.
 - (b)'Fund' means the Backward Classes Land Development and Finance Corporation Relief and Common Good Fund.
 - (c) Corporation' means means the Backward Classes Land Development and Finance Corporation established under section 3 of it's Act.
 - (d) Board' means the Board of Directors, of the Corporation.
 - (e) Chairman' means the Chairman of the Corporation,
 - (f) Executive Director' means; the Executive Director of the Corporation.
 - (g) Government' means the Government of Punjab.
 - (h) Backward Classes /Backward Classes Organisations words have the same meaning as defined in Section 2(b) and (c) of the Act of the Corporation.
 - (i) 'Words and expressions' used in these Regulations Which are not defined be as prescribed in the Act.
 - (j) 'Year' means the financial year 1st April and ending 31st March, next
4. **Administration:-** The Fund shall be maintained by the Corporation and administered by the Chairman and the Executive Director.
5. **Credit:-**To the Relief and Common Good Fund shall be credited every year seven-and-half percentum of the net profits of the Corporation or such amount not exceeding year seven-and-half percentum of the profits of the Corporation as the Board may decide from time to time and as provided under section 21 of the Act.
 - (b) The interest accrued from time to time on such sum shall also be deposited every year in this fund.

6. **Purpose of the Fund:-** The fund shall be utilized for purposes such as giving grants and subsidies as defined in section 16 clause 2 Sub-clause (iv) of the Act of the Corporation to the needy members of the Backward Classes/Backward Classes Organisations including relief against. natural calamities like floods and hazards, deaths, accidents, medical relief due to prolonged illness and advancement of any other object or general public utility for Backward Classes
7. **Providing Assistance out of the Fund:-** A member of the 'Backward Classes or Backward Classes Organisation; apply for assistance from the Fund stating the specific purpose for which the amount is required. It should be recommended by the Field Staff of the Corporation after proper verification and supported by the Backward Class Certificate other particulars as may be prescribed, The Executive Director will satisfy himself of the genuineness of the assistance applied for by getting report from the Deputy Commissioner of the District if considered necessary. In case, he is satisfied that the applicant deserves assistance, he may sanction on the assistance applied for with prior approval of Chairman.
8. **Competence:-** The Chairman / Executive Director will be competent to sanction the amount upto Rs. 2,000 and Rs. 1,000 in a single case depending upon the circumstances of each case. The approval of the Board is required in case amount , exceeds Rs. 2,000. The Executive Director should advance the amount with the prior approval of Chairman.
9. **Board of Power to Change Regulations:-**The Board with the prior approval of the Government shall have powers to make, from time to time such additions, deletions, alterations or amendments in these Regulations, as it may deem fit and relax any of the provisions contained therein, provided that these are not inconsistent with any provision of the Act.

