

### Powers of Director (Finance).

Subject to the provisions of the Companies Act, 1956, Memorandum and Articles of Association of the Company, guidelines framed by the Central Government, codes, rules, regulations and policies prescribed by the Board of Directors/Committee of the Board of Directors of the Company from time to time and subject to the budget provisions, Director (Finance) shall have powers to deal with the following matters and sanction expenditure thereon besides the powers as are exercisable by a lower authority :-

1. Capital expenditure authorisation. Up to a limit of Rs.25 lakhs in each case and also where the expenditure exceeds 10% of the Capital Expenditure Authorisation but is within the budget of the Division.
2. Sanction reallocation of capital expenditure. Within the budget provision of the Division jointly with Director (Planning)  
(Inter-Divisional reallocation within the overall budget of the Company by Chairman & Managing Director).
3. Project Expenditure Authorisation. For projects approved by the Board upto Rs.2.5 crores jointly with Director (Planning)  
(For projects approved by the Board upto Rs.5 crores by Chairman & Managing Director).
4. Sale of fixed assets. Up to written down value of Rs.1 lakh in each case.
5. Acceptance of Order/Agreement for sales. Up to Rs.10 crores in each case.
6. Private sale of tea. Up to 10% of saleable production per contract per garden.
7. Allocation to international tea auction centres. Full powers.
8. Sale of scrap.. Up to Rs.10 lakhs at any one time.
9. Disposal of obsolete/unserviceable stores. Up to a book value of Rs.1 lakh per item.
10. Stock clearance/distress sale/of defective stock. Up to Rs. 1 lakh of book value at any one time.

11. Trade discount to Dealers/  
Customers for standard  
products. Full powers.
12. Purchase of raw materials,  
bought out items, components,  
loose tools, consumable  
stores and spares, tea seeds,  
plant and machinery, award  
of contract forming a compo-  
nent of a project, clonel  
cutting, tea nursery plant,  
power and fuel, contract  
and sub-contract etc. Up to a limit of Rs.1 crore for  
each item in each case subject  
to approved purchase procedure.
13. Advance to suppliers for  
purchase, repairs, mainten-  
ance, etc. without bank  
guarantee. Up to 20% of the value subject  
to a limit of Rs.10 lakhs in  
each case.
14. Repair/maintenance and  
awarding contract therefor :
  - (i) Buildings, plant, -  
machinery, etc.; Up to Rs.20 lakhs in each case.
  - (ii) Motor cars, vehicles,  
tractors, trailers,  
furniture and fittings,  
airconditioners; Up to Rs.1.00 lakh in each case.
  - (iii) Company's houses/flats  
owned and/or hired. Up to Rs. 1.50 lakh in each case.
15. After-sales rectifications/  
modifications/repairs/free  
replacement
  - (i) Within guarantee period Up to Rs.3 lakhs per contract.
  - (ii) Outside guarantee period Up to Rs.1 lakh per contract.
16. Rent of warehouse, godown,  
storage space etc. Full powers,
17. Transport contract :  
Rate contract/annual esti-  
mated value of rate contract  
(including variation of  
rates/terms). Up to Rs.20 lakhs in each case.
18. Sanction of demurrage,  
wharfage and other charges. Full powers.
19. Institute, conduct, defend  
any suit or other proceedings  
by or against the Company  
or its Officers or other-  
wise concerning the affairs  
of the Company and sanction  
legal expenses including  
obtaining legal opinion. Full powers.



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| 20. | Penalty, additional liability, interest, etc. on Excise Duty/Income Tax Sales Tax/Customs/other duties, levies, taxes, dues, statutory fees, etc.          | Full powers.  |
| 21. | Advertisement for tender, notices or other classified advertisement in souvenirs, gift items.  | Full powers.  |
| 22. | Purchase of books, periodicals, journals, magazines and other publications.  | Full powers.  |
| 23. | Sanction of inland tour, advance therefor, travelling expenses, variation from TA Rules, hire of car/taxi on official business.                            | Full powers.  |
| 24. | Fees for obtaining certificates from Auditors, Chartered Accountants, Cost Accountants, practising Company Secretaries, technical and other professionals. | Up to Rs.25,000 in each case.                                       |
| 25. | Appointment of Consultants/Architects.   | Up to Rs.50,000 in each case.                                       |
| 26. | Sanction :<br>(i) Subscriptions to Trade/ Industry/Associations/ Chambers of Commerce/ professional bodies.<br><br>(ii) Special subscriptions.             | Full powers.<br><br>Up to Rs.10,000 in each case.                   |
| 27. | Sanction of any other revenue expenses for business purposes.  | Up to Rs.5 lakhs per case.  |
| 28. | Issue of credit notes.   | Up to Rs.5 lakhs.   |
| 29. | Adjustment of stock shortage/ excess revealed on verification.   | Up to Rs.20,000 per annum per item.                                 |
| 30. | Stock shortage of foodstuff at Tea Gardens.  | Up to 5%.   |
| 31. | Write off of bad debts, claims and receivables.  | Up to Rs.10,000/- per annum per case.                               |
| 32. | (a) Provision for bad/doubtful debts, liquidated damages.<br><br>(b) Write back of provision/ liability for liquidated damages against sundry debtors.     | Full powers. As per Accounting Policy of the Company.<br><br>- do - |

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| 33. Reduce/waive liquidated damages and penalty on purchase/contracts/projects/extend time for delivery/execution.  | Liquidated damages amounting upto Rs.1 lakh in each case.   |
| 34. Write back of liabilities and provisions no longer required.  | Full powers as per Accounting Policy.   |
| 35. Short-term deposit with banks and other deposits with post offices, in Government Securities, Unit Trust of India, other financial institutions and banks including renewals thereof. | Up to Rs.50 lakhs in each case.   |
| 36. Adjustment of difference between manufactured and saleable tea.   | Up to 5%.   |
| 37. Approve write off of losses not due to theft, fraud or negligence.  | Up to Rs. 5,000 in each case.   |
| 38. Nomination of employees to training, seminar, etc.  | Full powers.  |
| 39. Entertainment expenses on Company's business.   | Up to Rs.7,500 in each case.  |
| 40. Payment of advance for medical expenses.  | Up to Rs.10,000 in each case.   |
| 41. Sanction of leave, encashment of leave/L.T.C. reimbursement.  | Full powers.  |
| 42. Deposit with customers and authorities.   | Full powers.  |
| 43. Testing fees.   | Up to Rs.5 lakhs in each case jointly with Director (Planning).   |
| 44. Material loan given/taken without deposit of value of material.   | Up to Rs.10 lakhs per case.   |
| 45. Sanction for maintenance of imprest fund for Units/Branches.  | Full Powers.  |
| 46. Operation of bank account, signing of cheques, prom notes, etc.   | As per Board/Committee of Board resolution.   |
| 47. Execution of instruments, deeds and leases etc.   | Full powers. Except such documents which require Common Seal of the Company as per Companies Act, 1956. |



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| 48. Refer any claim or demand by or against the Company to arbitration.  | Upto a limit of Rs.1 crore in each case. |
| 49. Complimentary issue of Company's products.   | Upto the value of Rs.1000 per case.      |
| 50. Acquisition of assets on lease and hire-purchase terms.<br>(This should be treated as capital expenditure and as per approved budget). | Upto Rs.25 lakhs in each case.           |
| 51. Determine the basis of Common Expenses recovery and to authorise actual recovery.  | Full Power.                              |
| 52. Review and finalise Internal Financing Policy.   | Full Power.                              |
| 53. Grant inter-Unit loans.  | Rs.20 lakhs at any one time.             |
| 54. Sanction of miscellaneous expenses.  | Upto Rs.10,000 in each case.             |
| 55. Sanction/permission to travel on Company's business by a class or mode of journey higher than provided in the rules of the Company.    | Full Powers.                             |
| 56. Sanction of advances for tours on official business.   | Full powers.                             |

Note: (i) The proposals under Item Nos. 8, 9, 10 and 33 should be put up through a Committee which would be constituted and appointed by any functional Director.

(ii) Capital expenditure authorisation formalities should be complied with in regard to every capital expenditure.

(iii) The purchase procedure, as approved, should be adhered to wherever applicable.