

ANDREW YULE & COMPANY LIMITED
DRAFT DELEGATION OF POWERS

These powers are exercisable subject to the provisions of the Companies Act 1956, the Memorandum and Articles of Association of the Company and the policies laid down by the Company and the Government of India from time to time.

While exercising the delegated powers, the following basic principles should be borne in mind :-

- (a) Every Officer should exercise the same vigilance as a person of reasonable prudence would exercise.
- (b) The expenditure should not prima facie be more than the occasion demands.
- (c) No expenditure should be incurred or liability entered into unless –
 - (i) there is competent sanction for incurring the expenditure, &
 - (ii) subject to the limit as per approved budget.
- (d) Power should not be exercised by an authority in matter in which he is directly or indirectly interested.
- (e) Expenditure should not be incurred for the benefit of a particular person or a section of the people, except where it arises out of a claim enforceable in a court of law or where it is in pursuance of an accepted policy of the Government or of the Company.
- (f) Sanction should not be split up for the purpose of avoiding the limit attached thereto.
- (g) The letter 'F' marked against the items denotes prior financial concurrence required from a finance executive of next step below unless otherwise indicated.
- (h) In all cases of purchases, the Purchase Procedure for the time being in force should be followed.
- (i) Any thing beyond the limit specified by DOP should be sanctioned by a level one step above specified in DOP.
- (j) Any purchase item cumulatively should not exceed the overall limit set out by Annual Budget.
- (k) Where per case is not mentioned, there will be limits per annum.

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SI No.	Description	Financial Concurr-Ence	SANCTIONING AUTHORITY					
			Chief Executive Grade F	General Manager Grade E	Dy.Genl. Manager Grade D2	Asst.GM/ Sr. GM Grade D1	Manager Grade C2	
1	2	3	4	5	6	7	8	
1.	i) Capital Expenditure (each case) subject to the provision in the approved budget and following the purchase procedure	Specific Non-specific	F F	Up to Rs.1Lakh 10,000	Rs. 50,000 Rs. 2,000	Rs. 5,000 --	Rs.3,000 --	- -
			If the expenditure, whether item-wise or in aggregate does not exceed 10% of the approved budget					
	ii) Extension-Planting, Uprooting, Replanting and rejuvenation at Tea Gardens		--	Garden Manager within the sanctioned budget provision as well as the prior approval of the CE.				
	iii) Construction / extension of buildings of Tea Garden		F	Up to Rs. 1 Lakh per project Up to Rs. 2 Lakhs per project	General Manager Chief Executive			

1	2	3	4	5	6	7	8	
2.	A) Sales	F	For non standard items as per authority approved by the Executive committee of management (Terms and conditions of Sales Contract). In case of tenders valued above Rs. 2.50 crores, approval of Chairman/Committee of Board will be required.					
	B) Discount or special price through discount for standard product	F	By CE if there is profit after normal discount.					
3.	Domestic Auction Centre	-	Allocation to different auction centers (Domestic) by Chief Executive.					
4.	Sale of Scrap - a) Scrap Sale including Tea Waste per annum (after determining floor	F	Upto Rs.5lakhs	Upto Rs.1Lakh	--	--	--	
	b) Reserve Price (in case of auction)		(Subject to the procedure of Scrap Sales)					
			Approval of CE on recommendation of Tender Committee which will be constituted at Divisional level					
5.	Disposal of obsolete/unusable non-moving stores & stock for each unit per case	F	Book value upto Rs. 50,000	Book value upto Rs. 25,000				
6.	Purchase of Raw Materials (in each case of single purchase)	F	Rs.25.00 Lacs	Rs.20.00 Lacs	Rs.15.00 Lacs	Rs.7.50 Lacs	Rs.5 .00 Lacs	

1	2	3	4	5	6	7	8	
7.	i) Purchase of bought-out items & components, loose tools (in each case of single purchase)		Rs. 15.00 Lacs	Rs. 10.00 Lacs	Rs 7.00 Lacs	Rs.5.00 Lacs	Rs.3.00 Lacs	
	(For items imported from collaborators or single source items(monopoly in nature) the approval should be taken once at the beginning of the year which should be valid for the rest of the year including the time to time change in the price)							
	ii) Consumable stores and spare parts for production and repairing & maintenance of building, plant and machinery etc. in each case of single purchase.	--	Rs. 5.00 Lacs	Rs. 4.00 Lacs	Rs 3.00 Lacs	Rs.2.00 Lacs	Rs.1.00 Lac	
	iii) Purchase of Tea Seeds, Clonal Cuttings, Tea Nursery Plants.	--	Rs. 4.00 Lacs	Rs. 0.50 Lacs	Rs 0.50 Lacs	Rs.0.50 Lacs	Rs.0.50 Lacs	
8.	i) Purchase of Power/Fuel, Coal, Petrol, Diesel & furnace Oil (in each csae of Single purchase)	F	Rs. 10.00 Lacs	Rs. 7.50 Lacs	Rs 5.00 Lacs	Rs.3.00 Lacs	Rs.2.00 Lacs	
	ii) Electricity	F	Unit head without limit					

1	2	3	4	5	6	7	8
9.	i) Sub-contracting with parties materials (in each csae of Single purchase)	F	Rs. 10.00 Lacs	Rs. 7.50 Lacs	Rs 5.00 Lacs	Rs.3.00 Lacs	Rs.2.00 Lacs
	ii) Sub-contracting without parties materials including erection jobs (in each case of single purchase)	F	Rs. 5.00 Lacs	Rs. 4.00 Lacs	Rs 3.00 Lacs	Rs.2.00 Lacs	Rs.1.00 Lac
10.	Advance to suppliers :-						
	a) For purchase of coal, fuel, oil, steel, Copper and Clearing, Customs Duty and Port Charges	F	100 % advance to Division / Unit head				
	b) For purchase of raw material, stores spare parts, repair & maintenance (excludes pro-forma payment / against material of a proprietary nature and administerial items)	F	Advance upto 10% of the value of contract or Rs.5,000/- whichever is higher may be given by the persons authorized for making purchase.				
11.	Transport contract – Rate Contract / Annual Estimated value of rate contract (variation of rate or terms to be approved by the next higher authority)	F	Rs. 25.00 Lacs	Rs. 20.00 Lacs	Rs 15.00 Lacs	Rs.10.00 Lacs	Rs.5.00 Lacs

1	2	3	4	5	6	7	8
12.	Selection/Appointment of Clearing Agent for Port/Rly., subject to recommendation of Tender Committee.	F	By Chief Executive or General Manager.				
13.	i) Labour Contract for Project, Civil Works including erection :						
	a) With Materials	F	Rs. 12.00 Lacs	Rs. 6.00 Lacs	Rs 4.00 Lacs	Rs.2.50 Lacs	Rs.1.25 Lacs
	b) Without Materials	F	Rs. 6.00 Lacs	Rs. 2.00 Lacs	Rs 1.00 Lacs	Rs.0.50 Lacs	Rs.0.25 Lacs
	ii) Any other contract	F	Rs. 1.00 Lacs	Rs. 0.75 Lacs	Rs 0.50 Lacs	Rs.0.25 Lacs	Rs.0.10 Lacs
	iii) Canteen contract per annum per contract	F	Rs. 5.00 Lacs	Rs. 4.00 Lacs	Rs 3.00 Lacs	Rs.2.00 Lacs	Rs.1.00 Lacs
14.	Salaries / Wages	F	To be approved by Unit Head of Accounts for disbursement / GM of the Region in case of the Region.				
15.	(A) Salary Advance (Unit Level) (To be determined on case to case basis & on merit)	F	Up to 15 days salary at any one time (subject to concurrence of Unit personnel dept.) repayable in not exceeding 12 monthly installments by Unit head not below C-2. CE may approve upto one month's salary repayable as above in consultation with the Unit personnel Dept.				
	(B) -- do -- (Head Office)	F	Same as above subject to the concurrence of Corporate Personnel Dept.				

1	2	3	4	5	6	7	8	
16.	Sanction of Overtime	F	C-2 and above , subject to approval of Unit/Corporate Personnel Dept. For Tea Gardens, by Garden Manager. For Regions, by Region GM.					
17.	Bonus	F	As per Payment of Bonus Act.					
18.	Rent – (Per Month) For purely temporary warehouse / godown hiring for a maximum period of 6 months by CE / GM of respective divn. At a total rent for the period (Refundable Security Deposit may be paid subject to concurrence of Chief Accountant of the respective divn. Agreement in this regard to be vetted by the Legal Dept.)	F	Not Exceeding Rs. 1 Lac	Not Exceeding Rs. 0.50 Lac	Not Exceeding Rs.0.25 Lac	---	---	
	Any increase in rent / variation of terms & conditions will require the approval of the next higher authority. Renewals of existing agreements under prevailing terms/conditions for the premises under occupation should be done by CE of respective Divn.							

1	2	3	4	5	6	7	8	
19.	Purchase of Medicine (Other than First Aid)	F	On recommendation of Medical Officer at the Unit and Consultants at the Tea Estates – where there is no Medical Officer / Consultant at the Unit, the requirement of routine medicine should be recommended by HO Medical Officer /Consultant.					
20.	Rates/Taxes (In case the increase in rate exceeds 15% per annum, the matter should be referred to Legal Dept.)	-	Rs. 5.00 Lacs	Rs. 4.00 Lacs	Rs 3.00 Lacs	Rs.2.00 Lacs	Rs.1.00 Lacs	
21.	Repair / Maintenance (per job)	F						
	Bldg./Plant & Machinery		Rs. 2.50 Lacs	Rs. 1.00 Lacs	Rs 0.75 Lac	Rs.0.20 Lac	Rs.0.10 Lac	
	Motor Car / Vehicle		Rs. 0.30 Lac	Rs. 0.20 Lac	Rs 0.15 Lac	Rs.0.10 Lac	--	
	Furniture / Fittings, Air Conditioners		Rs. 0.10 Lac	Rs. 0.75 Lac	Rs 0.05 Lac	Rs.0.01 Lac	--	
	Tractors / Trailers (For Tea Gardens)		Rs. 0.50 Lac	Rs. 0.30 Lac	Rs 0.20 Lac	--	--	
	Note : In case of Tea Gardens, the Managers will have the same authority as that of Dy. GM (D-2)							
22.	Repair/Renovation of Own / Rented House or Flats	F	As per Rules of the Company – To be approved by Grade – B and above					

1	2	3	4	5	6	7	8	
23.	Car Expenses – Car given for Office & Personal use.	--	Petrol & Repair and others as per Rules of the Company By not below C-1.					
24.	After-sale Rectification / modification / Repair / Replacement :-							
	i) Outside gurantee period.	F	Up to Rs. 0.50 Lac	--	--	--	--	
	ii) Within gurantee period (per order) subject to 5% of value i.e. original cost of equipment	F	up to Rs. 2.00 Lac	Rs.0.50 Lac	Rs. 0.20 Lac	Rs.0.10 Lac	--	
25.	Insurance – Renewal of existing policy or undertaking of any new Policy	F	Not below C-2 level of each Divn. / Unit (Concurrence of Chief Accountant of the respective Divn. Will be necessary).					
26.	Excise Duty / Sales Tax / Customs & Other Duties / Levies, taxes, dues, statutory fee etc.	F	Normal payment by not below C-2 (Manager). In case of penalty, Additional Liabilities , interest aggregating up to Rs. 50,000 by CE with the concurrence of Financial Controller.					
27.	Demurrage/Wharfage (per case) or excess / additional port rent.	F	Chief Executive/GM Of the Region Upto Rs. 10,000/- For Unit Head Upto Rs. 2,500/-					

1	2	3	4	5	6	7	8	
28.	a) Legal Expenses (per bill) – (for initiating legal actions, approval from the concerned Director would be required)	--	Rs.20000	Rs.15000	Rs.10000	Rs.8000	Rs.5000	
	b) For obtaining legal opinion (per bill)		Rs.20000	--	--	--	--	
29.	Sanction of expenses for postage, telephone, telex, non-judicial stamp paper etc.(per case)	--	Without limit	Rs.25000	Rs.20000	Rs.15000	Rs.10000	
30.	Printing & Stationary (per Order) including Computer stationary	--	Rs.60000	Rs.30000	Rs.25000	Rs.20000	Rs.12500	
31.	Research & Development Expenses (per case or project)	F	Up to Rs.50,000 (In case of Capital Expenditure normal procedure should be followed)				--	
32.	Advertisement –							
	(a) Tenders/Notice in Newspaper (per insertion)	--	Up to Rs.30000	Up to Rs.8000	Up to Rs.6000	Up to Rs.4000	Up to Rs.2000 Gdn.Mgr.	
	(b) Sales Conference Exp. (Per case)	F	Upto Rs.50000	--	--	--	--	
	(c) Gift items – Expenditure to be restricted as per I.T. Act	F	Upto Rs.10000 (per annum per Divn.)	--	--	--	--	

1	2	3	4	5	6	7	8
33.	Advertisement to Souvenir, Journals (per insertion) (subject to clearance of PR/Publicity Cell)	--	Rs.5,000	--	--	--	--
34.	Newspaper , books, periodicals, journals, magazines (Maximum amount per annum per Unit)	--	Up to Rs.25,000 by CE; Up to Rs.10,000 by Unit/Dept. Head.				
35.	Sanction of Inland tour / traveling expenses	--	i) Not below the rank of D-1 (sr. Manager) or Unit head as per rules of the Company ii) Not below Divisional In-charge for each respective branch iii) Garden Managers at Tea Gardens				
36.	Sanction for hire of car (including fuel) / taxi and other traveling expenses (per case)	--	Rs. 3000	Rs.1500	Rs.1000	Rs.750	Rs.500
	Note : In case of Tea Gardens, The Managers will have the same authority as that of DGM (D-2)						
37.	Granting of Tour advance (excluding fare)	--	Rs.15000	Rs.10000	Rs.8000	Rs.5000	--
			CE may approve any variation/relaxation from T.A. Rules in extraneous circumstances. Financial concurrence of Chief Accountant / Unit Accountant will be necessary. Up to Rs.2000/- by Tea Garden Managers (not below Grade C-2).				
38.	Foreign Telex & Trunkcall	--	Asst. general Manager and above.				

1	2	3	4	5	6	7	8
39.	For other Certificates of Auditors	--	Up to a fee of Rs. 5000 by Financial Controller				
40.	i) Certification by Chartered Accountants, Cost Accountants, Practicing Company Secretary	--	Fee not exceeding Rs. 1000 by Head of Accounts at Unit Fee not exceeding Rs. 2000 by Chief Accountant of respective Divn.s Above Rs.2000 & up to Rs. 5000 by Financial Controller / Company Secretary				
	ii) Obtaining Technical Certificates	--	Up to Rs. 5000 by CE of respective Divn. Up to Rs. 1500 by Unit Head				
41.	Expenses for :-						
	i) Subscription to Trade / Industry Association, Professional bodies (per annum per case)	F	Up to Rs.50000	Up to Rs.25000	--	--	--
	ii) Other subscription (in case of Tea Gardens, the Manager will have the authority of D-2 level)	F	Rs.4000	Rs.3000	Rs.2000	Rs.1000	--
42.	Misc. Expenditure (per case)	F	Up to Rs.4000	Up to Rs.3000 (C-1 = up to Rs. 500 /-) (B = up to Rs. 200 /-)	Up to Rs.2000	Up to Rs.1500	Up to Rs.1000
			For Tea Garden : Manager/Acting Manager up to Rs 2000 (per case)				

1	2	3	4	5	6	7	8
43.	Credit Notes (in each case)						
	a) Errors, omissions, mistakes in rates / calculation and on return of materials when documents sent through Bank	--	By Chief Accountant of respective Divn.				
	b) For Other Reasons	F	Rs. 20000				
	c) Tea samples to Brokers	--	As per trade norm, by Garden Manager. Above Trade Norm by CE				
	d) Complimentary issue of Tea	--	Up to 5 Kg. Per garden or issue by Garden Manager and above.				
44.	Write off of stock shortage at Unit Adjustment of shortage / excess (net)	F	Up to 0.1% of yearly consumption (based on last year's consumption) subject to monetary limit of Rs.50,000 to be approved by CE				
45.	Rectification entries for Stock Adjustment	F	Chief Accountant of respective Divn. Not below the rank of D-1				
46.	Handling / Evaporation Loss :-						
	i) In case of Normal Loss	F	Not below the rank of C-2				
	ii) In case of abnormal Loss (List of materials in this regard indicating normal loss to be prepared in advance)	F	To be decided upon by the CE of respective Divn.				
47.	Stock shortage of Food Stuff at Tea Gardens	F	Up to 3%	Up to 2.5%	--	--	--

1	2	3	4	5	6	7	8
48.	Reduce / Waive liquidated damages & penalty on purchase :-						
	a) Extension of time for delivery / execution in respect of purchases and contracts	F		One step above the level as per DOP			
	b) In case of Capital Assets for Projects	F		-- do --			
	(In case of any loss incurred on the contract , the financial implications thereof to be examined and clearance of next higher authority to be obtained).						
49.	Write-back of liabilities & provisions	F		Up to Rs. 2 Lakhs in each case by Chief Accountant			
50.	Statutory Contribution–PF, ESI & Others	--		Net below the rank of Grade B			
51.	Contribution to various funds viz. Gratuity, Pension & others (Trustee Managed Funds)	--		Chief Accountant of each Divn For General Divn - Financial Controller			
52.	Difference between manufactured and saleable tea	F		Upto 3% by CE 2.25 % by GM(Operations)		Upto 2% by Garden Manager	

1	2	3	4	5	6	7	8
53.	Deputation of Employees to Training, seminar etc. course fee in each case (To be routed through HRD Section of Admin. Dept. in case of Staff & workers, it should be routed through Corporate Personnel Dept.)	--	Upto Rs.10000	Upto Rs.5000	--	--	--
54.	Entertainment Expenses for Company's Guests (in each case)	--	Up to Rs. 3000				
55.	Medical Advance	F	Up to Rs 3000	--	--	--	--
56.	Sanction for Employees' Welfare (in each case)	F	Up to Rs.10000	Up to Rs.5000	Up to Rs.4000	Up to Rs.2000	Up to Rs.1000
57.	Sanction of leave/LTC encashment, reimbursement of LTC (subject to leave being approved by the sanctioning authority)	--	As per Rukes of the Company – Not below the level of Grade B				
	In case of Tea Gardens	--	By the Manager / Acting Manager				
58.	Reimbursement of expenses in respect of other benefits / amenities	F	As per Rules of the Company – not below the Rank of Grade C-2				

1	2	3	4	5	6	7	8
59.	Soft furnishings of Tea Garden Bungalows, Company's flats / buildings (replacement of curtains , cushions etc.)	F	CE - per flat/building up to Rs.25,000 per annum within the approved budget				
60.	Personal Telephone used for official excluding rental	F	Up to Rs. 3000	Upto Rs.500	--	--	--
61.	Security Deposit with Customers, Authorities	F	Up to 5% of the order value by Chief Executive				
62.	Guest House expenses (Daily basis) Feed / Provision / Stores & others	--	Rs.5000	Rs.4000	Rs.3000	Rs.2000	Rs.1000
63.	Testing fees (non-recoverable) per Item	--	Up to Rs 1 lac	Up to Rs. 50000	Up to Rs. 25000	Up to Rs15000	Up to Rs.10000
64.	Material loan given with deposit of value of materials	F	By Chief Executive				
65.	Petty cash payment for :- i) Local Conveyance ii) Printing & Stationery iii) Misc. tiffin expenses	F	By Department Head				