

DELEGATION OF POWERS TO CHIEF EXECUTIVE, KECL, KUTTIPPURAM.

General powers:

Subject to the provisions of the Articles of Association and overall control and supervision of the Board of Directors and subject further to the guidelines issued by the Holding Company, the Chief Executive shall conduct and carry on the business of the company and represent the company in all matters. He will have powers generally to make all such arrangements, to do all such acts and things and to incur all such expenditure on behalf of the company as may be necessary or expedient in the day-to-day management of the affairs and conduct of the business or in carrying out its activities. On policy matters and major issues, however, prior consent of the Holding Company and, in emergent situations, consent of the Chairman of the company shall be obtained. Decisions of the Holding company/Chairman, as the case may be, on all such matters shall be final.

Without prejudice to the foregoing provisions, the Chief Executive shall, in particular, have the following powers:

1. Establishment:

(i) Recruitment/engagement of employees.

To engage employees on casual/temporary basis, strictly based on necessity for not more than 30 days duration on each occasion and not more than 89 days in a year, subject to prior written permission of the Holding Company. No posts, either temporary or permanent carrying regular scales of pay shall be created without sanction of the Board of Directors and the Holding company.

(ii) Disciplinary action/punishment.

To take disciplinary action including suspension against employees of the company subject to following disciplinary procedures/rules of the company. The power for dismissal/termination of service of employees shall, however, be exercised only with sanction of the Board. Cases involving suspension of executives shall be reported to the Chairman and the Board of Directors of the company forthwith.

(iii) Training, seminars, conferences etc.

To nominate employees to attend training programmes, workshops, seminars, conferences etc which are deemed useful, subject to expenditure not exceeding Rs.2,000/- in individual cases and subject further to budget provision.

(iv) Grant of leave:

To sanction all types of leave to employees and deputationists as per their entitlement and rules of the company. Leave Without Pay on non-medical grounds shall, however, be sanctioned in accordance with rules/guidelines issued by the Holding Company and also with prior permission of the Chairman. Availing of Casual leave by the Chief Executive himself exceeding 3 days at a time shall be with the permission of the Chairman and all other leave of the Chief Executive shall be subject to prior sanction of the Chairman & Managing Director of the Holding Company.

(v) Tour and travel:

(a) To sanction tours on official purposes and to grant advances and traveling allowances to employees subject to budget provision and guideline issued by the Holding Company. Official tours of the Chief Executive shall be undertaken with sanction of the Chairman.

(b) Relaxation for travel by air or by higher class of accommodation than entitlement, longer routes and travel by road between places connected by rail by employees to be exercised in exigencies/genuine cases strictly on merit and such cases to be reported to the Board for ratification.

(vi) Transfer:

Full powers to transfer posts, officers, staff and workmen of the company.

(vii) Officiating arrangement:

To make suitable officiating arrangements in temporary vacancies subject to approval/ratification of the Board.

(viii) Promotion/Pay fixation:

Full powers in cases where Memorandum of Settlement is in force in the case of workmen and as per approved procedure in the case of other employees, subject to guidelines issued by Holding Company.

(ix) Salary advance/leave encashment/temporary loans:

Full powers to grant salary advances and leave encashment to employees in accordance with rules and guidelines issued by the Holding company. Sanction of temporary loan to employees in emergencies upto Rs.500/- in each case.

(x) Vehicle advance:

Full powers subject to budget sanction and limits prescribed under relevant rules and further subject to guidelines issued by the Holding Company.

(xi) Permanent advance/imprest:

Full powers subject to monetary limit of Rs.5,000/- in each case.

(xii) Grant/acceptance by employees of honorarium/fees/rewards:

Full powers, subject to prior permission of Chairman.

(xiii) Surety bond:

Full powers to prescribe form of surety bond to be executed by employees handling cash, store etc as per rules.

(xiv) Recovery of over-payment of pay and allowances:

Full powers to fix instalments.

(xv) Investigation of arrear claims:

Full powers

(xvi) Acceptance of resignation:

Full powers in respect of workmen; for all other posts, prior permission of Chairman shall be obtained.

(xvii) Working hours:

Full powers to regulate the working hours and timings in accordance with rules and regulations.

2. Finance:

(i) Sanction of capital expenditure:

(a) Civil works – To sanction capital expenditure on any individual civil work upto Rs.10,000/- subject to a maximum of Rs.50,000/- per annum, subject to approved specific budget provision.

(b) Capital equipment – To sanction capital expenditure on purchase/installation of plant, machinery/equipment subject to provision in the approved annual budget and approved project report, wherever applicable, upto Rs.One Lakh in each case.

(ii) Expenditure exceeding sanctioned limit:

To sanction excess upto 10% of sanctioned amount in each case of capital expenditure.

(iii) R & D expenditure:

To sanction R&D expenditure on any project upto Rs.10,000/- in each case, Subject to budget provision.

(iv) Unspecified expenditure:

To sanction expenditure for which no specific provision exists, upto Rs.1,000/- at a time and Rs.10,000/- per annum within the overall budget provision.

(v) Expenditure in emergencies:

Full powers to sanction expenditure in emergencies for the safety of the Employees and/or property of the company.

(vi) Entertainment/promotional expenses:

To sanction expenses on entertainment/sales promotion not exceeding Rs.1,000/- at a time and Rs.10,000/- in a year.

(vii) Revenue expenditure:

Full powers to sanction revenue expenditure including purchase/import of raw materials, stores and other revenue items subject to budget provision upto Rs.50,000/- of order value and subject to prior approval of Chairman for order value above Rs.50,000/-.

(viii) Disposal of surplus/unserviceable stores:

To declare stores as surplus/unserviceable, to fix their reserve price and decide on mode of disposal, upto a book value of Rs.5,000/- in each case subject to recommendations of a duly constituted committee.

(ix) Claims for demurrage/wharfage:

Full powers to sanction, subject to ratification by Chairman.

(x) Transport of materials by modes other than the cheapest/normal:

Full powers to sanction, subject to ratification by Chairman.

(xi) Re-appropriation of heads of expenditure:

To sanction re-appropriation between heads of expenditure in the approved budget upto 5%, re-appropriation from capital account to revenue account and vice versa not to be made.

(xii) Pricing of products and by-products:

Full powers to fix prices/discounts of products and by-products subject to policies laid down by the Board and general guidelines/specific instructions issued by the Holding Company.

(xiii) Liquidated damages:

Full powers to waive liquidated damages on contract or interest on overdues, subject to approval of Chairman.

3. Legal:

(i) Execution of documents:

Full powers to institute defend, compound or abandon legal proceedings, appoint Arbitrator and execute contracts, agreements, powers of attorney, bonds, indemnities, guarantees, counter guarantees and sign Vakalathnamas, mukthiars, plaints, written statements and other documents and papers in connection with all suits, cases or proceedings in Courts of Law, insurance matters etc on behalf of the company and to incur legal charges. In case of compounding or abandoning of proceedings, approval of Chairman to be obtained.

(ii) Compensation under Workmen's Compensation Act:

Full powers to grant compensation as per the Act/orders of the approved Forum.

(iii) Miscellaneous:

Full powers to sign, furnish various forms, certificates, statements, petitions, affidavits and other documents to the various authorities such as sales tax, income tax, central excise, customs etc an also to represent the company before these authorities and to make and give receipts, releases and other discharges for moneys payable to the company for the claims and demands of the company.

4. Sub-delegation:

The Chief Executive shall have power to sub-delegate to the extent considered necessary, powers, authorities and discretion vested in him, subject to ultimate authority and overall responsibility being retained b him and subject further to any restrictions placed by the Board, Articles of Association, Holding Company, Government or other authorities. All sub-delegations to Be made with the permission of the Chairman.