

# **INDIA HOME LOAN LIMITED**



## **POLICY ON DELEGATION OF AUTHORITY**

**VERSION CONTROL**

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## **Purpose and Scope**

This Policy sets out the framework for the decision making process in place at IHLL. The intention is to provide an appropriate, practicable and consistent structure of governance, risk and compliance by clarifying the level and ambit of authority of a delegation to approve and make decisions.

The control framework is designed to assist employees to effectively perform their duties and manage risk whilst enabling the Board to monitor performance and compliance.

## **What is a delegated Authority?**

A delegated authority allows the board to assign the decision making and conduct day to day operations to accountable and responsible personnel who may further delegate within their group of subordinates. Delegation of authorities within IHLL are captured primarily in Board and Committee discussion, minutes and other notification issued for delegation.

## **What is Power of Attorney?**

One form of delegation is a power of attorney. In IHLL powers of attorney are usually a delegation by a company to individuals to execute certain documents, whenever needed, on behalf of the company. Powers of attorney overcome the need to always have an executive director to execute corporate documents. Powers of attorney may be written to enable execution of documents for a specific transaction, or they may be enduring powers of attorney which are ongoing authorizations of persons to execute specific types of documents on behalf of the company. Company Secretary retains copies of enduring powers of attorney.

Importantly, in IHLL, a power of attorney is usually not an authorization to proceed with a particular transaction or contract, it merely delegates the execution of documents.

## **Why has the Company delegated authorities?**

Guidelines on 'who is authorized to do what' ensures commercial efficacy in business decisions and operations however the overarching principle is that business decisions are to be made exercising sound commercial business judgement.

It is not practicable or possible to detail every kind of delegated authorization that will occur within the organization. In the main, the critical authorizations to be documented are those that have the power to bind or create an obligation on IHLL. The delegation authorizations are governed where applicable, on a risk-based approach to delegation.

## **Operation of Delegated Authorization**

Authorized delegations are assigned to a position or role rather than an individual and the occupant of that position assumes the powers to delegate to subordinates within their designated span of control. Employees can only exercise assigned delegated powers related to their own or functional responsibility.

When the usual occupant of a position is absent due to extended leave or other reasons, the authorized delegations that sit with that position will pass to the individual acting in the position unless exceptions are notified in advance to the individual in the action position.

### **Matters for delegation**

- To authorize to sign all documents, letters, petitions, negotiations required in connection with SARFAESI proceedings with the prior approval of Managing Director (“MD”) or Whole Time Director (“WTD”)
- To represent the Company, file criminal complaints and instigate the process before the magistrate court in connection with criminal proceedings under section 138 of the Negotiable Instruments Act, 1881 and all other applicable provisions of the said act; with the prior approval of MD or WTD
- To file summary suits, recovery suits before any court of competent jurisdiction in connection with the Loans and do such acts and deeds as feel fit and proper; authorized to do, perform and transact the acts, deeds, matters and things relating to and/or connected with the business of the Company under section 25 of Payments and Settlements Act, 2007 and all other applicable provisions of the said Act and in connection with return of any Negotiable Instruments including demand Promissory Notes, Cheque(s), with prior approval of MD or WTD.
- To authenticate any document affecting the Constitution of the Company and any resolution passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts there from as true copies or extracts
- To accept service of process in all actions and other legal proceedings against the Company and to institute and prosecute or to defend all or any actions, suits or other proceedings in any Court of Justice or Tribunal Arbitrator or any Statutory Body, authority or authorities whatsoever at any place or places in India on behalf of the Company in matters in any way connected with or arising out of the Company’s business
- To appear for and represent the Company at any Court of Justice or Tribunal Arbitrator or any Statutory Body, authority/authorities whatsoever at any place or places in India
- AND GENERALLY for the better and more effectually doing, executing and performing the several acts, deeds, matters and things not herein specifically mentioned which in the course of the general business of the Company may be deemed to be requisite or expedient to be done or performed as being incidental to the objects aforesaid or any of the Company hereby ratifying and confirming and agreeing to ratify all and whatsoever the said Attorney shall or may lawfully do or cause to be done in or about the premises by virtue of these presents.
- To authorize to sign tripartite agreement with govt. dept., conveyance deeds, execution of mortgage and other documents as may be required to comply with various other statutory and procedural obligations of the company.