



## South Eastern Coalfields Limited

(A MINIRATNA PSU)

SEEPAT ROAD, BILASPUR (CG) 495 006

### BOARD SECRETARIAT

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Ref. No. SECL/BSP/BD.SECY/DOP.CMD/2010/ **368**

Date : 10<sup>th</sup> March 2010

### OFFICE ORDER

In pursuance of the approval accorded by the Board at its 187<sup>th</sup> Meeting held on 26<sup>th</sup> February 2010, the revised Delegation of Powers to Chairman-cum-Managing Director shall be as per Annexure and it shall come into force w.e.f. 26<sup>th</sup> February 2010.

This issues with the approval of the Competent Authority.

  
(K.S. RAJASHEKAR)  
COMPANY SECRETARY 10/3

#### Distribution :

1. FDs.
2. All HODs of SECL Hqrs. P 10
3. All Area CGMs/GMs.

**SOUTH EASTERN COALFIELDS LIMITED**

**DELEGATION OF POWERS TO CHAIRMAN CUM-MANAGING DIRECTOR**

**(AS APPROVED BY THE BOARD AT ITS 187<sup>TH</sup> MEET HELD ON 26<sup>TH</sup> FEBRUARY 2010)**

<b>Sl.No.</b>	<b>Nature of power</b>	<b>Extent of power delegated</b>
1	2	3
<b>A</b>	<b>COMPANY MATTERS</b>	
1	Borrowing for working capital	Full powers subject to guidelines issued by CIL/ SECL Board
<b>B</b>	<b>BUDGET</b>	
1	Re-allocation of Capital Funds	Full powers within approved budget including re-allocation from group to another (group as indicated in the approved annual plan of the year), from one project to another, from one account to another and from one unit to another
2	Advance action on capital expenditure	Full powers against committed / spill over works.
3	Re-allocation of Revenue Budget	Full powers within the budget approved by the Board including re-allocation from one account head to another.  Full powers for additional budget for additional production as per revised target.
<b>C</b>	<b>CAPITAL WORKS</b>	
1.1	New Project/ Scheme included in the approved Plan outlay and Budget.	Full powers up to Rs. 25 crore for each Scheme/Project.
1.2	Deviations in the approved Project Reports	Full powers in respect of the Project Reports approved by CMD to increase efficiency, both in terms of productivity and profitability.  In respect of the Project Reports approved by the Board / Government of India, technical and financial deviations are allowed to be carried out to implement the Projects efficiently and economically and subject to ensuring that there are no major deviations, both technically and financially which involve changes in the scope of the approved Project Reports both technically and financially, and such deviations are incorporated in RCE / RPR / Completion Report, as the case may be.
2	Advance action on capital expenditure included in the capital Budget awaiting approval.	Full powers up to 10% value of each scheme / project awaiting approval.
3	Capital expenditure in excess of sanctioned estimates of cost	Full powers in respect of each sanctioned estimate, which forms part of the Project / Scheme approved by him and subject to ensuring that the total completion cost does not exceed the power to approve a Project/Scheme.



1	2	3
4	Capital expenditure in anticipation of inclusion in the budget.	Full powers up to Rs. 2 crore for each project subject to ratification at the next meeting of the Board. In all cases of capital expenditure on residential and office accommodation norms prescribed by the Govt. shall be observed. Further construction programme shall not exceed that approved in the Annual Building Activities Programme. These powers shall be exercised by a Committee of Directors headed by the CMD.
<b>D</b>	<b>PURCHASE AND CONTRACTS</b>	
1	Purchase orders/ contracts	<p><b>(1) ON OPEN TENDER :</b>  Lowest tender : Rs. 10 crore  Single tender : Rs. 3 crore</p> <p><b>(2) ON LIMITED TENDER :</b>  Lowest tender : Rs. 6 crore  Single Tender : Rs. 3 crore</p> <p><b>(3) WITHOUT CALLING TENDER :</b>  (a) Purchase of proprietary items from Original Equipment Manufacturers – Rs. 4 crore   (b) Without tender through negotiation - Rs. 40 lakh (Reasons to be recorded in writing).</p> <p><b>(4) REPEAT ORDER :</b>  Repeat orders together with the original order should not exceed the limit laid down in relevant delegation of power.</p>
2	Changes in the rates/ quantities of approved contracts	<p>1. Full powers in respect of such contracts awarded by him subject to limit that the value of original contract along with the revised / deviation shall not exceed his power to sanction a contract.</p> <p>2. Full powers up to changes within 10 % of the value of contracts awarded by the Board.</p>
3	Settlement of disputes with suppliers/ contractors	Full powers up to Rs. 3 crore in each case subject to a maximum of Rs. 10 crore
<b>E</b>	<b>OTHER FINANCIAL MATTERS</b>	
1	Investment of Company's Funds	Full powers in emergencies subject to guidelines issued by CIL
2	Loans/advances to other than employees	Full powers in emergencies to suppliers/ contractors subject to ratification by the Board.

1	2	3
3	To open accounts with Banks and draw money	Full powers
4	Ex-gratia payment other than in accordance with the Schemes	Full powers up to Rs. 5000/- in each case.
5	Grant and donations to Charitable Research and Educational Institutions.	Full powers up to Rs. 1 lakh in each case subject to maximum of Rs. 25 lakh per annum.
<b>F</b>	<b>SALES</b>	
1	Sale of coal and other products at negotiated prices	Full powers subject to the laid down policy and also guidelines issued by the Board.
2	Sale of movable property	Full powers in respect of moveable asset declared as scrap. The disposal shall be through duly appointed agency and subject to guidelines and policies of the Company.
<b>G</b>	<b>OTHER EXPENDITURE</b>	
1	Hiring of land and buildings	Full powers up to Rs. 5 lakh per annum in each case and total of Rs. 50 lakh per annum.
2	Hiring Consultants/ Experts	Full powers up to Rs. 10 lakh in each case and total of Rs. 50 lakh per annum in all excepting foreign consultancy.  (The powers delegated to Board of Directors of subsidiary companies and CMDs are only for hiring of Firms and Institutions registered as consultants in specified fields. The appointment of an individual as consultant can be done only with the approval of Chairman, CIL or CIL Board as the case may be).
3	Publicity	Full powers within the policy and guidelines of the Company and subject to budget provision.
4	Entertainment	Full powers within the guidelines of the DPE/CIL and subject to budget provisions.
5	Other items	Full powers within the policy of the Company/ CIL and subject to budget provisions.
<b>H</b>	<b>WRITE OFF OF LOSS:</b>	
1	Write off of loss in coal stocks periodically due to deterioration.	Within the limit prescribed by CIL Board
2	Rate of write off of stocks	Within the limit prescribed by CIL Board
3	Write off of losses other wise than due to deterioration	Within the limit prescribed by CIL Board
4	Waiving of compensation from contractors / suppliers	Within the limit prescribed by CIL Board
5	Write off of loss of cash	Full powers up to Rs. 2500 in each case.
6	Write off of any items of stores, equipment, tools, plant, building and materials.	Full powers up to Rs. 5 lakh in each case.

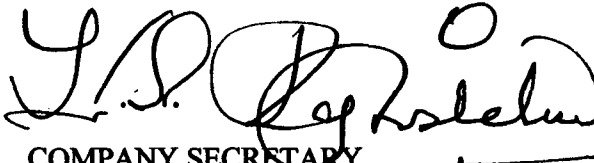
1	2	3
<b>I</b>	<b>PERSONNEL MATTERS</b>	
1	Creation of posts	Full powers for all non-executive and up to E-4 for executives posts provided the Manpower Budget is approved by respective Boards. Full power for creation of all posts included in the sanctioned Project Reports / Advance Action Projects, subject to the phasing indicated therein.
2	Appointments	Full powers for non-executive employees subject to approved manpower budget and CIL guidelines.
3	Extension / Re-employment	Full powers to re-employ / re-instate of non-executive cadre employees subject to prescribed rules/policy.
4	Grant of Honorarium	Full powers up to Rs. 5000/- in each case.
5	Deputation abroad	Full powers to approve business tour abroad of Functional Directors up to 5 days duration (other than study tours, seminars etc.,) in emergency, under intimation to the Secretary of the Administrative Ministry. In all other cases including those of Chief Executive, tour abroad would continue to require the prior approval of the Minister of the Administrative Ministry/ Department.
6	To sub-delegate the powers conferred on CMD to Functional Directors, Executive Directors, Head of Divisions and other officers from time to time as deem fit.	Full powers
<b>J</b>	<b>OTHERS</b>	
1	Procurement of staff cars	Full powers against replacement / PR provision.
2	Deployment of Ex-Servicemen Security Agencies as per requirement projected in Manpower Budget of the Company and duly recommended by Committee constituted to examine and recommend proposal(s) referred to it.	Full powers  Remarks : Deployment shall include fresh deployment and renewals as well.

**NOTE :**

The delegation of powers is also subject to the following and includes :

- 1 Delegation of Powers is an effective instrument for expeditious decision making and efficient management.
2. The delegation is made keeping in view the objectives of the Company and its accountability to the Government.
3. The delegated powers shall be exercised in line with the established procedures.

- 4 The Chairman-cum-Managing Director shall have full powers in respect of matters of administrative / operational nature which are not specifically mentioned in the schedule of DOP listed in the Annexure and which, as per Article of Association / guidelines from the Govt. / CIL, do not call for specific approval of the Board / CIL / Govt.
- 5 The Chairman-cum-Managing Director shall exercise the delegated powers, subject to the observance of the provisions of the Companies Act, 1956, the Memorandum the Articles of Association of Company, relevant directives of the Central Government applicable to the Company, policies, rules, regulations and budgets as may be approved by the Board of Directors from time to time and principles of financial propriety and subject to the general supervision and ultimate control by the Board of Directors.
- 6 The Chairman-cum-Managing Director in special circumstances, where in his opinion and immediate decision on any matter, which is beyond his delegation of powers, is essential, may within the ambit of operational necessity and efficiency or to meet an emergency, take decision on behalf of the Board provided, however, that report would be made to the Board and its ex-post facto approval obtained, wherever necessary.
- 7 The Chairman-cum-Managing Director shall have full powers to institute, defend, compound or abandon legal proceedings or refer the claim to arbitration and execute powers of attorney and sign vakalatnamas, plaints, written statements and other documents and papers for and on behalf of the Company.

  
COMPANY SECRETARY  
10/3/10