



Revised

Delegation of Powers

Authority | BoD meeting dated 4th February'12 & 26th June'12

National Film Development Corporation Limited

(A Government of India Undertaking)

Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400 018

DELEGATION OF POWERS

The Managing Director is authorized to exercise in full all or any of the powers vested in the Board of Directors of the Company (as incorporated in the Articles of Association) for the management and administration of the Company except on matters as listed in Annexure-A which require the approval of the Board of Directors and/or the Central Government.

1. The exercise of the powers delegated to the Managing Directors will be subject to:-
 - the provision of the Companies Act, 1956.
 - the Memorandum and Articles of Association of the Company.
 - The relevant directives and instructions of the Central Government.
 - The policies, rules, regulations and budgets as approved by the Board of Directors from time to time.
 - The principles of financial propriety.
 - Financial concurrence/consultation wherever required. In cases where there is a difference of opinion between the Director(Finance) and the Managing Director, the latter will take appropriate decisions and implement them.
 - The availability of funds in the sanctioned budget; the Managing Director has full powers of re-appropriation of funds and he can also exceed the total provision of funds if he/she is confident of the excesses being regularized through revised budget estimated; and
 - The general supervision and ultimate control by the Board of Directors.
2. The Managing Director is authorized to sub-delegate any or all the powers he/she is vested with to Director (Finance)/Directors, General Managers, and other officers under him, to facilitate speedy and efficient discharge of responsibilities entrusted to them.
3. The Managing Director is delegated full powers on behalf of NFDC to institute, conduct, intervene, defend, abandon or compound any suit, appeal, review, revision, writ petition or other proceedings by or against the Company or its employees or otherwise concerning the affairs of the Company in any court and/or quasi-judicial authorities, to refer any claims/or demands by or against the Company to arbitration and observe and perform the awards, to sign and verify plaints, written statement, execution and other petitions, applications, affidavits, objections memorandum of appeal or other pleadings to be filled before any judicial/quasi-judicial authorities or arbitrators to enforce judgment, execute any decree or orders of any judicial/quasi-judicial authorities or to satisfy the same and/or to realize or withdraw money from any court, persons or other authorities in execution of such decree or order and to sign vakaltnamas.
4. The Managing Director is delegated full powers on behalf of NFDC to execute contracts, collaboration agreement(s), general/special instruments, including joint undertakings, service agreements/Bond(s), indemnity/guarantee Bond(s), and deeds

in respect of or connected with sale/lease/ licence, mortgage, hypothecation, pledge, or other deed(s) of a legal character of whatever description, power(s) of Attorney, to enforce guarantees(s) or any other legal rights to incur legal expenses and to act as agent of the Company for any purpose whatsoever relating to the Company's business.

5. Sub-delegation of power to officer below MD is indicated in annexure II. In some cases powers to MD is also indicated for clarity. Power given to HOD's of Regional Office / Head office is limited to their area of operation. However Director (Fin) may assume power of HOD's in case of need.
6. Any proposal involving financial implication of more than Rs. 50,000 requires financial concurrence/ vetting. Limits for level of vetting / concurrence is given in para 9 of part 3 of DoP.

Annexure-A

The following matters will require the sanction/approval of the Board of Directors and/or the Government:

I. Budget & Plans:

- (1) Capital budget of the Company.
- (2) Annual revenue budget of the Company, if any deficit is proposed to be met by obtaining funds from the Government.
- (3) Any other long term plans and programmes of the Company.

II. Selection Of Movies to produce

Approval of BOD is required on the recommendation of selection/screening committee.

III. Personnel:

- (a) Creation of posts / appointment / recruitments higher than Dy. Manager.
- (b) Important matters relating to formulation of policies for promotion, placement, deputation, and other conditions of service and disciplinary action, leave, traveling allowance and other allowances, bonus, house rent, dearness and other allowances, other benefits, retirement benefits etc. in respect of the personnel of the Company.

IV. Write-off:

Sub Para	Particulars	Limit	Remarks
a)	Cash Loss	Rs.50,000	
b)	Losses other than cash	Rs.5 Lakhs	
c)	Dues from contractors	Rs.10 Lakhs	
d)	Deposits with utilities (electricity/telephone companies, water boards, etc.)	Rs.1Lkahs	- the limits are per case - for sub para (b) value shall mean the book value on the date of loss.
			<ul style="list-style-type: none"> • In case of writing off of cash losses, the same should be reported to the Board for information • Any write-off beyond these limits and any loss due to theft, fraud and misappropriation would require approval of BOD • In case of sub para (c), In emergent situation like out of court settlements etc. MD to approve settlement upon recommendation of a committee routing through DF. BOD to be informed later.

V. (1) The formation of a subsidiary Company / Joint Venture

- (2) Any expenditure on an object which has not been previously recognized as a fit object of expenditure by the Company.

Part 1 : Delegation of Powers | Personnel matters

Sl.	Subject Matter	Authority	Existing delegation	Revised Delegation	Remarks
1	Creation / appointment of a) regular posts, Temporary/adhoc posts upto Dy.Manager	MD	Full Powers	Full power	
2	Grant of higher initial pay upto Dy. Manager	MD	Full Powers	Full power	Full power in accordance with the recommendation of the Selection Committee.
3	To grant extension of time for joining a post on first appointment or on transfer	MD	NA	Full power	
4	Settlement of retirement benefits including gratuity of employees.	DF	Full Powers	Full Powers	
5	To accept resignation/ waiver of notice period on resignation	MD	NA	Full power	
6	Acceptance of declaration by employees in respect of home town, dependent family etc.	DGM(P&A)	NA	Full Power	
7	Deputation of employees to other Public Sector Undertakings/ Government in cases where Board is the appointing authority.	MD	Full Powers	Full power	
8	To transfer employees from one station to another	MD	Full power	Full power	
9	To grant all kind of leaves in accordance with extant rules (EL/HPL/CL/) including permission to leave headquarter	DF	NA	Full power for finance staff in HO	Powers are limited to staff / officers working under them. However, <u>leave of DF, head of RO and HOD in HO</u> will be sanctioned by MD.
		Head of RO	NA	Full Powers	
		HODs in HO	NA	For all executives upto one week and full powers for non-executives .	

10	Granting special casual leave to employees in extra ordinary circumstances.	MD	Full Powers	Full power	
11	Payment of salary/ monthly allowances as per rule.	DGM (P&A)	NA	Full Powers	
12	Sanction of Local conveyance charges – reimbursement as per rules	HEAD / RO DGM(P&A) / HO/	NA	Full Power	
13	To approve Domestic tour programme, cancellation of tour programme.	DF GM(FP) Head / RO	NA	Full Powers for employees in Finance of HO Full powers for domestic travel for film production (with in the production budget) Full Power for employees under them	
14	For visit abroad	MD	Full powers for below director with concurrence of chairman with such overall guidelines for festival participation etc. prescribed by the board from time to time	Full power for below director level.	Powers to remain with in DPE guidelines.
15	Nomination of employees for training programme to various Training Institutes in India	MD	Full Powers	Full power	
16	Grant of honorarium to employee of NFDC.	MD	Full Powers	Full power	Rs.10,000/- in each case per annum

17	Change in mode of travel / route & accommodation in exigency of official work other than entitlement	MD HEAD / RO	Full Power Full Power to allow one step higher travel entitlement	Full Power In case of absolute work exigency, Head of RO may allow air travel to non-entitled employees – however a half yearly report to put up to MD for info	
18	Grant of traveling allowance to non-officials performing works of NFDC including power to declare the grade to which such persons shall be considered to belong	MD	Full power	Full power	
19	To sanction overtime allowance/out of pocket allowance as per rules	HODs at HO /Head of RO	NA	Full Power for employees under them Full power	
20	Payment of Telephone expenses/ electricity expenses/Broadband/ fee for professional bodies/ Newspaper/ Periodicals/ other statutory dues as per company rules.	DF DGM(P&A) GM /DGM/HO D of Regional Offices	Full Powers NA NA	Full Power Full Power for Mumbai office Full Power for respective office	
21	Payment of indoor / Hospitalization charges/ LTC/ as per company's rules Reimbursement of outdoor Medical Expenses/ Children education allowance/ fee for professional bodies/ as per company's rule	DF DGM(P&A) / HO Head of RO	Full Powers NA NA	Full Power Full power for HO employees Full Power for employees under them	To route through DGM(P&A)

22	Sanction of various advances like Festival advance, Vehicle advance/ House building advance/ Medical advance/ Pay/TA/LTC advance.	DF	Full Powers	Full Power	
23	Sanction of sundry advance for office purpose	DF	Full Powers	Full Power	
		Head of RO	NA	Full Power for their respective offices	
24	Execution of deed of a) redemption / reconveyance in respect of all cases of HBA. B) agreement to hypothecate vehicle / house for the loan given to employee	DGM(P&A) / Mgr (HR)/Legal	NA	Full Power	

Part 2 : Revised Delegation | Administration matters

Sl.	Subject Matter	Authority	Existing Delegation	Revised Delegation	Remarks
1	Printing and stationary / Postage , courier & Telegram	DF	Upto Rs.50,000/- in each case.	Upto Rs. 100,000 in each case	
		GM/Regional Office	Upto Rs. 30000 in each case	Upto Rs. 50,000 in each case	
		DGM/HOD of RO	Upto Rs. 20000 in each case	Upto Rs. 50,000 in each case	
		DGM(P&A)/HO	nil	Upto Rs. 20,000 in each case	
2	Payment of office Electricity, water, telephone, broadband, expenses, statutory dues, reimbursement of staff telephone expenses as per rule. Taking new connections as per business requirements.	DGM(P&A) at HO / Head of RO	NA	Full Powers for their respective offices	
3	Purchase of Furniture / fixture / air cooler / Heater / IT hardware & software/ office equipments and AMC thereof	DF	Upto Rs.20,000/- in each case.	Upto Rs. 200,000 in each case	
		Head of Regional Offices	NA	Upto Rs. 100,000 / case for their respective office.	
4	Repair of Furniture / fixture / air cooler / Heater / IT hardware & software and hiring thereof	DF	NA	Upto Rs. 100,000 in each case	
		Head of RO / DGM(P&A) at HO	NA	Upto Rs. 50,000 in each case.	

5	Contingent and Misc. expenditure not covered under other specific items	DF	Upto Rs. 20,000 / case.	Upto Rs. 100,000 / case.	
		Head of RO Delhi (GM Level)	Upto Rs. 10,000 / case.	Upto Rs. 75,000 / case.	
		Head of RO (DGM Level)	Upto Rs. 5,000 / case.	Upto Rs. 20,000 / case	
6	Maintenance of the building / installation owned or hired by the corporation	DF	NA	Upto Rs. 100,000 / case	
		Head of RO, Delhi	NA	Upto Rs. 100,000 / case	
		DGM/ Regional Off. Head of RO at Chennai & Kolkata / DGM(P&A) at HO	NA	Upto Rs. 50,000 / case	
7	Hiring of Taxi / Car for official purpose.	Head of RO / DGM(P&A) at HO	NA	Full Power	
8	POL & Regular maintenance / repairs of office vehicle	Head of RO / DGM(P&A) at HO	NA	Upto Rs. 50,000 in each case.	
9	Insurance / registration / taxes of office vehicles, Other assets etc.	Head of RO / DGM(P&A) at HO	NA	Full Power	
10	Payment of statutory taxes	Head of RO / DGM(P&A) at HO	NA	Full Power	
11	Expenses on Corporate Hospitality	DF	Full powers upto Rs.5,000/- per occasion subject to maximum of Rs.50,000/- in a year	Full powers upto Rs.10,000/- each case. (Rs.100,000 pa))	Increase in annual limit to be approved by MD for each / specific year
		Head of RO (Delhi)	NA	Full powers upto Rs.10,000/- each case. (Rs.100,000 pa)	
		Head of RO (other than Delhi)	NA	Full powers upto Rs.5,000/- each case. (Rs.50,000 pa)	

12	Legal expenses – expenditure towards filing fees, publication of statutory notices, purchase of court fee, stamp paper, etc. Release of Advocate's fee as per approved terms.	Head of RO / Manager (Legal) at CO	NA	Full Power Full power with the approval of DF	
13	Signing of lease agreement of residential / non residential property	GM /Regional Office	NA	Full powers for the cases approved by MD.	
		DGM/ Regional Off.	NA		
		DGM/HO/ Mumbai	NA		
14	Salvage and scrap disposal of stores on recommendation committee	Head of RO / DGM(P&A) at HO	NA	Full Powers	
15	Invitation and acceptance of limited/open tenders.	MD	Upto Rs.2.00 Lakhs in each case with the advise of ED(Fin.).	Full Power as per limit with the advise of D(F)	Open Tender – Rs. 5 Cr. Ltd. Tender- Rs. 2 Cr. To Process as per Tender Guidelines
16	Awarding of work without calling tenders.	MD	Full powers upto Rs.50,000/- in each case	Full powers upto Rs.10,00,000/- in each case	- To process as per tender guidelines
17	Appointment of consultant	MD	Full Power	Full Power upto Rs. 50 Lakhs	In case of appointing consultant on monthly retainer ship basis – limits pertains to yearly fee payable.

Part 3 : Revised Delegation of Powers | General Matters

SL	Subject Matter	Authority	Existing delegation	Revised Delegation	Remark
1	To negotiate & opening of bank accounts for cash credit and establishment of LC and execute deed/ instruments or other documents	DF	Full Power	Full Power	
2	Opening and operation of bank account and execute deed/ instruments or other documents.	DF	Full powers to open and operate upon current accounts with banks in such places as considered necessary.	Full powers to open and operate upon current accounts with banks in such places as considered necessary.	
3	Authorization to operate Bank accounts.	DF	Full powers to nominate officers of the Company to operate Bank accounts	Full powers to nominate officers of the Company to operate Bank accounts	
4	Legal cases	DF	as indicated below	as indicated below	
			Full powers to institute, conduct intervene, defend, abandon or compound any suit, appeal, review, revision, writ petition or other proceedings by or against the Company or its employees or otherwise concerning the affairs of the Company in any court and/or quasi-judicial authorities, to refer any claims/or demands by or against the Company to arbitration and observe and perform the awards to sign and verify plaints, written statement, execution and other petitions, applications, affidavits, objections, memorandum of appeal or other pleadings to be filed before any judicial or quasi judicial authorities or arbitrators, to enforce judgment, execute any decree or order of any judicial quasi judicial authorities or to satisfy the same and or to realize or withdraw money from any court, persons or other authorities in execution of such decree or order and to sign vakalatnama. Out of court settlement should be approved by MD on the recommendation of a committee and concurrence of DF.		

5	Emergency	DF	Full power of MD in MD's absence	Full power of MD in MD's absence	Within the ambit of operational necessity and efficiency or to meet an emergency, DF may exercise all power of MD, provided, however, that immediately thereafter a report is made to MD for ex-post-facto approval.
6	Sanction of Grants/Donations to outside bodies/institutions with which NFDC has commercial and/or other dealings.	DF	Upto Rs.5,000/- in each case (Annual limit Rs.25,000) per Company Policy.	Upto Rs.10,000/- in each case (Annual limit Rs.50,000) per Company Policy.	
7	Authorization of institutional membership for the Company and its employees in Professional Body/Society/Board, etc. involving payment of annual fees	DF	Full Powers	Full Powers	
8	Matters relating to various Statutory & Welfare Schemes such as PF, Gratuity, superannuation, GSLI Group Insurance Loan Schemes, etc. as approved by Board.	DF	Full Power	Full Powers	
9	Concurrence/Financial vetting of Purchases/ Works	DGM(F)/ Manager (F)/Finance Head in RO	-	Above Rs. 10,00,000	However, Any proposal requiring MD's approval will be routed through DF
		DM(F)/ AM(F) of RO/HO	-	Less than Rs. 10,00,000	

10	Engaging outside experts Consultants in the areas of Internal/Pre Audit, Tax audit, Taxation and other areas of Management Consultancy and related matters	DF	Full power with reporting to BOD	Full Power	
		Head of RO		Upto Rs. 20,000 in each case/ Rs. 50,000 for annual contract for engaging tax / legal / management consultants	
11	Releasing of payments to parties / agencies as per the approvals already taken.	HODs.	-	Full Powers	Payment to be released after availing of services/ goods in terms of the approval. Payment to be released as per payment terms.

Part-4 : Sub-Delegation of Powers – Media Panning / Govt. aid / Commissioned Production.

Sl.	Subject Matter	Authority	Existing delegation	Revised Delegation	Remark
1	Sanction of expenditure on production (Own) of feature film approved by the board (including appointment of line producer)	GM(FP)	-	Full Power in case of Own Production	Subject to conditions as indicated in the note below
Note to Sl. No. (1)					
	a) to ensure production within the budget approved.				
	b) Any variation in sub-head of budget by 15% (even if variation in one sub-head is being compensated by saving in other sub-head – having no variation in total budget) will require approval of GM.				
	c) If the estimated increase in expenditure would result in the subsequent increase in the overall budget of the film, the approval of the competent authority would have to be taken in order to sanction the increase in expenditure.				
	d) All "above the line payments" (payment to agencies) to be made directly by NFDC.				
	e) Periodical review of budget by GM.				
	f) Periodical review of expenses made by Line Producer. Prior approval of NFDC's is required in case it is expected that individual budget sub-head is expected to increase by 15% (even if variation in one subhead is being compensated by saving in other sub-head – having no variation in total budget).				
	g) The corporation reserves the right to select and appoint the line producer. However, keeping in view the need to ensure a smooth transition during all stages of the production, director may be consulted on the choice of the line producer.				
	h) Purchase procedures to follow in case of purchases made however, in case of film production, this may not be applicable for hiring of services.				
2	Sanction of expenditure on production (Co-Pro.) of feature film approved by the board (including appointment of Line Producer)	GM(FP)	-	Full Power in case of co-Production	Subject to conditions as indicated in the note below
	<ul style="list-style-type: none"> - To appoint Line producer after consultation with co-producer and Director of the film. - To make expenditure / contribute as per mutually agreed cash flow & in consultation with co-producer. - Periodical review of budget. - Purchase procedures to follow wherever required. 				
3	Payment of advance to line producer.	GM(FP)	-	Full Powers	Payment/ advances to line producer is to be done as per cash flow/ budget and after

5	Approval of tariff of different services including preview theatre, trainings, consultancy etc.	MD	Full Powers	Full Powers	
6	Signing of MOU with Ministries / Strategic Partners	MD	NA	Full Powers	
7	Signing of various MoUs/ legal agreements / agreements relating to film production, distribution, media, exports, other allied and ancillary services.	Respective HOD in HO/ Head of ROs	-	Full Powers	<ul style="list-style-type: none"> - Agreement / MoUs to be prepared in accordance with approval of the competent authority and after legal vetting. - Competent authority for approving various legal agreement relating to film production is Head of Film Production. - Sub-delegation can be done within the overall powers of competent authority.
8	Sanction of expenditure against special projects like Film Bazaar, renovation of properties, construction of theater, Govt. Grant for Restoration, Tagore etc.	Nominated officer	-	Full power	<ul style="list-style-type: none"> - Subject to approval of budget (head -wise) by MD to be routed through DF. - In principle approval of activities / events by MD. - Purchase procedures to follow
9	Appointment of agency for commissioned production / production of advertisement/ other allied and ancillary services	GM /HOD of Regional offices	-	Full Power	<ul style="list-style-type: none"> - To follow specific approved procedure /guidelines/ instructions of clients if any

10	Sanction of the approved budgets for non-feature film production/ commissioned production other allied and ancillary services media plans.	GM /HOD of Regional offices	-	Full Power	<ul style="list-style-type: none"> - Subject to approval of budget for non-feature film production/ other allied and ancillary services by a committee set up for such purpose. - Subject to approval of budget/media plans by client. - Sub-delegation can be done within the overall powers of competent authority.
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