



NASHIK MUNICIPAL SMART CITY DEVELOPMENT CORPORATION LIMITED

LIMITS (DELEGATION) OF AUTHORITY MANUAL



Approved vide board resolution no. 139 dated 20/07/2018.

Jayprakash



LIMITS (DELEGATION) OF AUTHORITY MANUAL

The Limits (Delegation) of Authority Manual ('LAM') is as a reference guide for all employees of Nashik Municipal Smart City Development Corporation Limited (NMSCDCL).

General Principles:

The key principles upon which this manual is based are as follows:

▪ **Practicality**

'Limits of Authority to all employees shall encourage decision making at the appropriate level and reduce the paper movement to the minimum'.

▪ **Accountability**

The trail of accountability for decision making needs to be clear and must remain intact (unbroken) at all times.

The delegation of powers is proposed below in such a way that:

1. All Projects are taken up with prior overall scheme and its estimated expenditure within the Budget approved by the Board;
2. Monthly expenditure incurred against approved budget shall be controlled within limits laid down under Smart Mission Guidelines requiring 93% for planned schemes, 5% on Administrative and Office Expenses (A&OE) funds for state/ULB (towards preparation of SCPs and for PMCs, Pilot studies connected to area-based developments and deployment and generation of Smart Solutions, capacity building as approved in the Challenge and online services). and 2% on A&OE funds for MoUD (Mission Directorate and connected activities/structures, Research, Pilot studies, Capacity Building, and concurrent evaluation).; and
3. HODs led by CEO are empowered to handle smooth implementation of the projects approved by Board

The authority vested will be subject to the provisions of the statutory enactments pertaining to the Company, the Memorandum and Articles of Association, and the directives issued by the Government (including General Finance Rules, 2005/2017). The authority may also be exercised to execute works / supplies of goods form empaneled vendors / suppliers / contractors at rates which are applicable as per state procurement of State Govt.



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All HODs are expected to exercise their authority only in their respective area of responsibility. The Manual consists of Sections representing various functions to enable easy reference. These Sections do not pertain to particular departments but represent specific functions/activities. The relevant section numbers should be recorded while exercising the power. The Manual aims at eliminating instances of HODs exercising authorities not commensurate with their responsibility or seeking approvals from authorities higher than necessary.

The authorities covered by the Manual can be automatically exercised by officers higher up in the hierarchy (CEO in respect of all HODs) in the related area of responsibility. ***Any item which is not covered in the manual shall require approval of Board, unless otherwise specified.***

No HOD shall exercise discretion which has not been granted to him under the Limits of Authority Manual. Any violation would be construed as a lapse on the part of the HOD.

Finance concurrence (FC)

It is a concept that is prevalent in the Government as well as in the Public Sector Organizations and mandated by General Finance Rules, 2017 governing use of Public Money. It envisages the need for concurrence of finance personnel, wherever required, as a prerequisite for approval of any contract, transaction or proposal having financial implications. This is to ensure that policies, procedures and budgetary and process control features specific to the Company are adhered to, so that the interests of the organization are safeguarded.

In other words, an independent person who is not directly involved in the process examines from the point of view of protection individual/group of officers from any errors that might be made inadvertently.

FC should not, therefore, be construed as joint approval, but should be considered as an aid the approving authority in the exercise of his authority. FC would be provided by Finance functionaries within the organization.

The approving authority should ensure that the requirements pointed out by the Finance functionary are fully met before approval is accorded. However, the approving authority shall have power to overrule the Finance functionary in the interest of **NMSCDCL**. If the approving authority exercises such powers, adequate justification need to be recorded.

Emergences:

Notwithstanding the restrictions contained in this Manual, the Functional Heads may exercise their discretion in emergencies such as fire, flood or major accidents to avoid further loss to person and property. However, it will be necessary to report the matter immediately in writing to the appropriate authority and obtain post facto approval.





Definitions:

Board	The Board of Directors of the Company from time to time constituted in accordance with the provisions of Articles of Association of NMSCDCL.
Chairman	The Chairman of the Board of NMSCDCL
CEO	The Chief Executive Officer of the Company appointed by the Board
CFO	Chief Financial Officer
CS	Company Secretary
A.O.	Administrative Officer
Head of Departments (HODs)	Engineer-In-Chief, Chief Urban Planner, Chief Financial Officer, Chief Knowledge Officer, Company Secretary and Administrative Officer



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2. Limits of Authority – Administration

Sr. No	Item	Approving authority	Remarks				
2.1	a) Processing of claims, submission & certifying bills of A & OE Expenditure.	A.O. / CS	FC				
	b) Approval to monthly salary / Honorarium Bills, A & OE Bills of establishment of NMSCDCL.	A.O. / CS	FC				
	c) Processing of works bill / projects bill.	Concern HOD	FC				
	d) Approval of works bill / projects bill.	CEO / Concern HOD CFO	FC (read with Sr. No.5.12)				
	e) Processing payment, pay order and preparation of cheque of all types of bills & submit for signature to appropriate authority.						
2.2	Medical Reimbursement as per service conditions	CEO	FC				
2.3*	<p>Business Communication</p> <p>Following limits for reimbursement of the expenditure by the employee on business communications shall apply:</p> <p>a) Cell phone Tariff Reimbursement</p> <ul style="list-style-type: none"> • CEO & HOD: Rs. 1000/- pm • For other Employees Rs. 500/- pm <p>b) Data Card</p> <ul style="list-style-type: none"> • CEO & HOD Rs.500/- pm <p>c) Provision of Computers/ Laptops</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">CEO & HOD</td> <td>up to Rs. 100000/- (every 3 years supplied by the Company as per requirement)</td> </tr> <tr> <td>Other Employees Subject to CEO approval</td> <td></td> </tr> </table> <p>d) Newspapers</p> <ul style="list-style-type: none"> • CEO & HOD up to Rs. 500/- pm • Any reimbursement of higher than above limits 	CEO & HOD	up to Rs. 100000/- (every 3 years supplied by the Company as per requirement)	Other Employees Subject to CEO approval		<p>A.O. / CS</p> <p>Reporting Officer</p> <p>A.O. / CS</p> <p>CEO</p> <p>A.O./CS</p> <p>CEO</p>	
CEO & HOD	up to Rs. 100000/- (every 3 years supplied by the Company as per requirement)						
Other Employees Subject to CEO approval							

*As per Board Resolution No. 164 dated 20/12/2018





Sr. No	Item	Approving Authority	Remarks
2.4	Leave a) Grant of leave such as Earned Leave, Casual Leave, Compensatory Leave, Maternity Leave etc. b) Make officiating arrangements against leave vacancies c) Recall from leave in case of extreme urgency in the interest of work	Reporting Officer HODs Reporting Officer	
2.5*	Business Travel		
a)	1. Field Officers Project Manager	2000/- Per Month	Need to Maintain tour diary
b)	2. Deputy General Manager L-4 1) DGM (Civil) 2) DGM (EWS) 3) DGM (IT)	3000/- Per Month	
c)	3. G.M. (IT), GM (Civil) & CUP	25000/- Per Month	
d)	4. CFO, CS, DGM (F), A.O., PRO	At actuals cost of OLA/Uber taxi Service up to Mini Car if uses own vehicle then for four-wheeler Rs. 10/- per k.m. and for two-wheeler Rs 5/- per k.m.	Need to submit approved monthly tour diary before 5th of next month.
e)	Other staff apart from Sr. 1 to 4	At actuals cost of Rikshaw Services or two-wheeler Rs. 5/- per k.m.	
f)	Peon	At actuals cost of Rikshaw Services or two-wheeler Rs. 5/- per k.m.	

*As per Board resolution No.208 & 214 dated 18/07/2019 and office order no. NMSCDCL/Admin/837/2019 dated 11/09/2019



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Sr. No	Item	Approving Authority	Remarks																																
	<p align="center">Outstation Travel – Domestic</p> <table border="1"> <thead> <tr> <th>* Level</th> <th colspan="3">Mode of Travel</th> </tr> <tr> <th></th> <th>Air</th> <th>Train</th> <th>Others</th> </tr> </thead> <tbody> <tr> <td>L6</td> <td>Economic Class</td> <td>1st AC</td> <td>Innova/ Honda city</td> </tr> <tr> <td>L5</td> <td>Economic Class</td> <td>AC 2nd tier</td> <td>Swift/ Sedan/ Midsized car</td> </tr> <tr> <td>L4</td> <td>Economic Class</td> <td>AC 2nd tier</td> <td>Indica/ Midsized car</td> </tr> <tr> <td>L3</td> <td>Nil</td> <td>AC Seatin g</td> <td>Indica/ Midsized car</td> </tr> <tr> <td>L2</td> <td>Nil</td> <td></td> <td>Indica/ Midsized car</td> </tr> <tr> <td>L1</td> <td>Nil</td> <td></td> <td>Indica/ Midsized car</td> </tr> </tbody> </table> <p>Outstation Travel –International a) CEO: For International travel, entitlement would be for business class air fare in case of journey by air. b) HODs or below HOD: For International travel, entitlement would be for economy class air fare in case of journey by air.</p>	* Level	Mode of Travel				Air	Train	Others	L6	Economic Class	1 st AC	Innova/ Honda city	L5	Economic Class	AC 2 nd tier	Swift/ Sedan/ Midsized car	L4	Economic Class	AC 2 nd tier	Indica/ Midsized car	L3	Nil	AC Seatin g	Indica/ Midsized car	L2	Nil		Indica/ Midsized car	L1	Nil		Indica/ Midsized car	<p>Self- Approval - CEO</p> <p>CEO</p> <p>CEO in case of Train and Air & Concerned HOD in case of others</p> <p>Concern HOD</p> <p>Concern HOD</p> <p>Concern HOD</p> <p>Chairman of Board</p> <p>Chairman of Board</p>	<p>To be reported to the Board</p> <p>To be reported to the Board</p>
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2.6	Expenses on meals and snacks while entertaining official guests such as VIPs / Special Guests / Government Officials / visitors in office, etc. a) Upto Rs. 15000/- per month b) Above Rs. 15000/- Upto Rs. 50000/- per month	A.O. / CS CEO	
2.7	Late / Holidays & off days working hours: Meals and conveyance entitlement as per HR Policy	HODs	
2.8	Hospitality and entertainment charges in connection with visits of distinguished visitors and Sanction to Travelling and hospitality expenses of BOD member on the occasion of Meetings. Power to sanction expenditure on function/meeting/with or without outsider / conference / seminar/ statutory meeting.	A.O. / CS	
2.9	Power to hire Vehicle for official tours- local and outstation.	A.O. / CS	Following procedure

*As per Board Resolution No. 214 dated 18/07/2019





Sr.No	Item	Approving Authority	Remarks
2.10	a) Power to sanction travelling expenses for attending workshop seminars/ meeting out of headquarter in India.	CEO	
	b) Power to sanction travelling expenses for attending workshop seminars/ meeting outside India.	Chairman of Board	
2.11	Office lease/ running expenses		
	i. Terms of hiring on rent / lease of office accommodation	CEO	FC
	ii. Purchase and maintenance of office equipment including copiers, computers (PCs / Laptops/iPads), Telecom Equipment, Furniture and Fittings for office use	HODs	FC
	iii. To authorize repairs and maintenance of office premises including furniture and fixture		
	a) Up to Rs. 25000/- in each case	HODs	FC
	b) Beyond Rs. 25000/- in each case	CEO	FC
	iv. Office rent, electricity water, statutory taxes / payments	A.O. / CS	FC
	v. Purchase of software and computer consumables, stationery & any other item of recurring nature etc.	HODs	FC
vi. Sanction permanent advance for official purposes upto Rs. 10000/-	CFO	FC	
vii. Grant of Funeral expenses in case of employees death while on duty: Rs. 10000/-	CEO	FC	





Sr.no	Item	Approving Authority	Remarks
2.12	Surplus To declare stores / material equipment as surplus and unserviceable and order disposal on competitive tender and acceptance there of up to Rs. 5 Lakh	CEO	FC
2.13	Acquisition / Disposal of immovable property	Board	FC

3. Limits of Authority – Legal

Sr.No	Limits	Approving Authority	Remarks
3.1	Sanction legal and other Professional Charges a) Upto Rs. 50000/- b) Upto Rs 500000/-	HODs CEO	FC
3.2	Institution of legal proceedings or defending legal cases	CEO	CS
3.3	Institute simple money suits for the recovery of outstanding dues from outsiders and incur legal fees there on	CEO	FC and CS
3.4	Sanction payment of penalties / fines etc. (Up to Rs. 500000/- per case)	CEO	FC & Report to Board
3.5	Waive off penalties / fine (Rs. 500000/- per case)	CEO	FC & Report to Board
3.6	Execution of contract agreement/ lease deed & all other statutory agreements	CEO	
3.7	Authentication of documents including contracts on behalf of NMSCDCL	CEO	



Law





4. Limits of Authority – Finance

Sr.No	Limits	Approving Authority	Remarks
4.1	Investment of surplus funds	CEO	In accordance with GOI and GOM Investment Policy / Guidelines
4.2	Opening, operation and closing of Bank Accounts including signing of cheques	a) A/c Maintained for A & OE: CFO & CEO b) A/c Maintained for Works: Jointly CEO & Commissioner, NMC as Director, NMSCDCL	These powers will be operative after sanction of bills by competent authority.
4.3	Short Term Fixed Deposits with Banks / Purchase of Govt. Securities as Security Deposit including their renewal / encashment	CFO	Prior approval of CEO be obtained.
4.4	Banking arrangements for Collection, Payroll Disbursements, Stop Payments, Statutory Payments viz TDS etc.	CFO	
4.6	Lodging of Specimen Signature with Banks and Modification thereof for operation of bank accounts	CFO	
4.7	Miscellaneous charges such as bank charges, demurrage/ wharfage charges	CFO	

Note - All above financial power will vests to CFO. The summary of action taken/exercised by CFO will be put on table for appraisal at the time of next board meeting.



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Sr.No	Item	Approving Authority	Remarks
5.3*	Technical sanction of various smart city project (original & revised) A) Civil Infrastructures related projects B) Water Supply Works related projects C) Sewerage and Drainage Works related projects D) Electrical Works related projects E) Information Technology related projects F) Greenfield related projects	General Manager (Civil) NMSCDCL General Manager (Civil) NMSCDCL General Manager (Civil) NMSCDCL General Manager (Civil) NMSCDCL General Manager (IT) NMSCDCL Chief Urban Planner, NMSCDCL	
5.4	Approval of Projects i. Additional items / scope of work / cost escalation (% of original cost estimate) a) Up to 10% b) Above 10% & up to 25% ii. Approvals for cost over runs other than additional items / scope of work (as% to original cost estimate Up to 10%) iii. Approval for extension / time over runs (as % to original time estimate) a) Up to 10% b) above 10% & up to 25%	HODs CEO CEO HODs CEO	FC FC FC

*As per Board resolution No.181 dated 18/07/2019.





Sr.No	Limits	Approving Authority	Remarks
Tenders, Appraisal and Acceptance			
5.5	Approval to documentation for calling RFP/EOI/Tenders	Commissioner NMC as Director *	FC
5.6	Opening of tenders	CFO	Opening of tender shall be done in presence of CFO, concern HOD, and member of Project Management Consultant
5.7	Accept Bid/Tender After scrutiny and recommendation by bid evaluation committee.	Commissioner NMC as Director. Chief Executive Officer HOD's	Full powers Rs.2.5 Crores** Rs. 50 lakhs **(Current Schedule Rates)
Order and Contract Management			
5.8	Issue of Work Order/Supply Order/Purchase Order contract regarding project	CEO	FC
5.9	Execution of contracts/agreements on behalf of company	CEO	
5.10	Sanction of advance as per agreements	CEO	FC
5.11	Sanction of advances / Payments not covered by orders / agreements up to Rs. 50 lakhs contingent in case of emergent situation.	CEO	To be reported to Chairman

* As per Board resolution No.181 dated 11th April 2018.

5.12	a) Approval for bills and Approval for release of payment of vendors / contractors / Suppliers upto Rs.10/- Crores.	HODs	FC
	b) Above Rs.10/- Crores.	CEO	FC
5.13	Dispute resolution and settlements with contractors / vendors / suppliers (Subject to dispute resolution mechanism)		
	a) Up to Rs. 10 Lakhs b) Upto Rs. 25 Lakhs	HODS CEO	FC
5.14	Sanction to Refund of Deposit- Earnest money, Security Deposit.	CEO	FC

* As per board resolution no. 32 dated 02/11/2017.

**All these powers utilized by authority must be apprised to next BOD meeting.

