

Delegation of Powers- Credit Department Functions (w.e.f / /2022)

| S. No. | Subject | Delegation of Power | Reporting Authority |
|--------|---|---|---------------------|
| A | Sanction of Financial Assistance | | |
| | As approved in the extant General Lending Policy | | |
| B | Post Sanction of Financial Assistance | | |
| I | Terms & Conditions for Sanctioned Assistance | | |
| S. No. | Subject | Delegation of Power | Reporting Authority |
| 1 | Relaxation in Pre Disbursement Conditions | Credit Operations Committee (COC) | DMD |
| 2 | Extension of time beyond the period mentioned in LOI for acceptance of Terms & Conditions and for execution of Loan Agreement | <u>Within validity period of sanction as mentioned in the extant General Lending Policy;</u> COC | DMD |
| | | <u>Beyond time period mentioned in extant General Lending Policy;</u> Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |
| 3 | Extension of Validity Period of sanction | <u>Within validity period of sanction as mentioned in the extant General Lending Policy;</u> COC | DMD |
| | | <u>Beyond time period mentioned in extant General Lending Policy;</u> Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |
| 4 | Extension of tenure of the loan | Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |

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| 5 | Concession in stipulated rate of interest | Upto 4 months for short-term loans (STL), upto 6 months for all other loans and for all consortium lending cases; COC | None |
| 6 | Extension of time from expiry of time period stated in the LOI, for availability/drawdown of sanctioned loan | Beyond 4 months for STL and beyond 6 months for all other loans; Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | DMD |
| | | All loans Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |
| 7 | Approval for change in end use/usage of sanctioned loan | COC | None |
| 8 | Relaxation in terms of sanction in line with the extant General Lending Policy/Lending Operations Instructions | DGM (Credit) | DMD |
| 9 | Issuance of LOI | DGM (Credit) | None |
| II Disbursement of Sanctioned Assistance | | | |
| 1 | Dilution in set of Core conditions (Core conditions would be those as specifically mentioned in the Memorandum / Minutes as Core conditions while sanctioning assistance) | Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |
| 2 | Disbursement of loan /Approval for Issuance of LCN/ Letter of Comfort | First Disbursement/issuance: DMD | MD & CEO |
| | | Subsequent Disbursements/ issuances: COC | DMD |
| 3 | Conversion of NFB Limits into FB facility/Sanction of payments under guarantees devolvement in case of underwriting issued by IFCI in the | CGM/ Vertical Head | DMD |

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| | event of defaults by the assisted concerns | | |
| III | | | |
| 1 | Permission to change the promoter's contribution from the originally envisaged amount/Instrument at the time of sanction. | If DER is deteriorating: Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |
| 2 | Release of excess pledged shares where the security cover is more than the stipulated cover Or Release of mortgaged property/land where the security cover is more than the stipulated cover Or Release of excess DSRA/any other excess security. | COC | DMD |
| 3 | Permission for pledge / disposal / transfer of shareholdings of promoters / directors etc., beyond the level stipulated in sanction terms | Credit Operations Committee (COC) | DMD |
| 4 | Withdrawal of unsecured loans / deposits which are subject matter of restriction by the institutions or variation in terms thereof | Credit Operations Committee (COC) | DMD |
| 5 | Approval for NOC of mergers/ demergers acquisitions/ amalgamation/ QIP/ IPO | Credit Operations Committee (COC) | DMD |
| 6 | Approval of spread reset / Exercise of put option/ any other prepayment option | MD & CEO | EC |
| 7 | Relaxation /modification/walver of terms of sanction (not covered | Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |

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| | elsewhere in DoP) for cases fully disbursed | | |
| 8 | Recall of loan of standard cases | MD & CEO | EC |
| 9 | Change in DCCO along with consequential changes thereon | Where IFCL is sole lender ; Respective sanctioning Authority on the recommendations of Credit Operations Committee (COC) | None |
| | | For Consortium Cases: COC | DMD |
| 10 | Closure of Credit Audit Report | COC | DMD |
| 11 | Changes in Financial projections and financial covenants | Respective Sanctioning Authority | None |
| 12 | Modification of repayment schedule in proportion to the disbursement and as per the sanction terms | CGM/ Vertical Head | DMD |
| 13 | Approval regarding amendments in Memorandum/ Articles of Association/ Bye laws of an assisted company | COC | DMD |
| 14 | Relaxation in notice period for prepayment | COC | - |
| 15 | Full or partial waiver of service charges | COC | - |
| 16 | Allowing time for obtaining IT permission u/s 281 of Income Tax Act, beyond time allowed by Sanctioning Authority | COC | DMD |
| 17 | Payment of upfront fee pro rata for disbursement on request of the company | COC | DMD |

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| 18 | Approval in respect of allotment of shares to FIIs and preferential allotment to promoters | COC | DMD |
| 19 | Part or full waiver of payment of additional interest/ liquidated damages, other charges/fees etc. | For non consortium cases: For non consortium cases DMD on recommendation of COC For consortium cases: COC | MD & CEO DMD |
| | | <u>For Consortium Cases-To be aligned with the consortium:</u> COC | DMD |
| 20 | Relaxation in payment of prepayment premium | DMD on the recommendation of COC | MD & CEO |
| 21 | Levy of additional interest for non-compliance of sanction terms | COC | DMD |
| 22 | Change in the manner of appropriation (As per Policy) | GM | Concerned CGM /Vertical Head |
| 23 | Appointment/withdrawal of officials/non-officials of IFCI as nominee directors on the Board of assisted concern | MD&CEO on recommendation of Concerned CGM/ Vertical Head in consultation with Nominee Director Cell. | None |
| | Withdrawal of Officials/ non-officials of IFCI as Nominee Directors on the Board of assisted concern in the cases where No Dues Certificate has been issued. | Concerned CGM/ Vertical Head on recommendation with Nominee Director Cell | DMD |
| 24 | Extension of time for obtaining external credit rating (beyond the time period permitted at the time of sanction) | COC | DMD |
| 25 | Allowing time for obtention of end use certificate beyond the time stipulated in LOI | DMD on the recommendation of COC | MD & CEO |

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| 26 | Operating escrow accounts of borrowers | Dealing official/ DGM and RO Head (wherever applicable)/ GM (Credit) | Concerned CGM/ Vertical Head |
| 27 | a) Payment to CIBIL towards usage of database and annual fee for Corporate Membership of CIBIL. b) I-FIN/SCHIL towards Annual Maintenance Charges of Demat A/c, Charges for Pledge Creation, Pledge Invocation etc. | | |
| | Payment upto Rs.1 lakh per bill | DGM (Credit) | GM (Credit) |
| | Payment beyond Rs.1 lakh and upto Rs.2 lakh per bill | GM (Credit) | Concerned CGM/ Vertical Head |
| | Payment beyond Rs.2 lakh per bill | Concerned CGM/ Vertical Head | COC |
| 28 | a. Approval for appointment & fixation of fee of – concurrent auditors/ consultants / lenders engineers/ special auditors / forensic auditor/ empaneled valuer/ TEV Consultant/ Rating agency / valuer empaneled with PSBs/IBBI / detective agencies, third party consultants/vendors for outsourcing of IT related/ (Including scope of work, acceptance of deliverables etc.) (Empaneled and non-empaneled with IFCI) ➤ Approval for engaging fintech company/ consultant and fee thereof | a. i. <u>Up to Rs.5 lakh in a single case</u> - GM (M&R)/ GM (Law) ii. <u>Above Rs.5 lakh (but less than Rs.10 lakh in a single case)</u> - CGM iii. <u>Above Rs.10 lakh in a single case</u> - COC ➤ Credit & Operations Committee | a. i. Concerned CGM/ Vertical Head ii. DMD iii. MD&CEO ➤ DMD |

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| | b) Payment of fee, as approved above. | b. DGM (M&R) / DGM (Law) | b. GM (M&R) /GM (Law) |
| 29 | Review of - Progress reports - Balance sheets - Site Visit reports - Concurrent Audit reports Board meeting report attended by Nominee Director - other operational reports | RO Head (wherever applicable) / Concerned GM (wherever applicable) | Concerned CGM/ Vertical Head |
| 30 | a. Issue of NOC for sale of flats/ shops/ units in mortgaged property subject to compliance of the following conditions- - 100% of the consideration for the flat/unit is to be routed through the escrow account charged to IFCI -The security cover stipulated by IFCI to be maintained at all times - RERA guidelines being followed -Format for NOCs to be issued, shall be vetted by Legal Department at HO | RO Head (wherever applicable) / Concerned GM (wherever applicable) | Concerned CGM/ Vertical Head |
| | b. Issue of NOC for sale of flats/ shops/ units in mortgaged property with dilution in security cover (subject to sale proceeds to be remitted to IFCI up to the extent of at least DSV or as per RERA guidelines) | COC | DMD |
| 31 | Aligning due dates of repayment of IFCI's loan with consortium lenders | RO Head (wherever applicable)/GM (Credit) | Concerned CGM/ Vertical Head |
| 32 | Authorising employees of IFCI to access CIBIL database – Commercial Bureau and Consumer Bureau. | DGM | GM (Credit) |

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| 33 | Withdrawal of rights to access CIBIL database from employees on transfer / resignation / termination of service - Commercial Bureau and Consumer Bureau | GM (Credit) | Concerned CGM/ Vertical Head |
| 34 | Acceptance of the valuation report | Credit Operations Committee (COC) | Nil |
| 35 | Cancellation of assistance remaining unavailed after one year, from the last date of disbursement or earlier at the request of the borrower or expiry of the validity period or otherwise Or Part cancellation of sanctioned amount to maintain stipulated security cover | Concerned GM | Concerned CGM/ Vertical Head |
| 36 | NOC for withdrawal of external rating of assisted concern | Concerned CGM/ Vertical Head | None |
| 37 | Approval of appointment of concurrent auditors/ consultants / special auditors with scope of work/ TEV Consultants/Rating agency/LIE | Concerned CGM/ Vertical Head | DMD |
| 38 | Refund/appropriation of excess amount of interest/guarantee commission/excess fees/commission and/or any other amount which is not due to IFCI but received from an assisted concern | Concerned CGM/ Vertical Head | None |
| 39 | Approval for declaration of dividend by assisted concern in excess of the maximum rate stipulated in loan agreement or otherwise | Concerned CGM/ Vertical Head | DMD |
| 40 | Appointment of Nodal Officer (designated officer from IFCI who | Concerned CGM/ Vertical Head | None |

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| | takes care of CIBIL related correspondence) | | |
| IV | Security Related Matters | | |
| 1 | Change/Substitution in Security from the originally proposed security (including Interim Security) with or without dilution in security cover as per terms of sanction. | Respective Sanctioning Authority | None |
| 2 a. | Ceding of pari-passu charge/ second charge on the assets of an assisted concern in favour of banks/ other institutions without dilution in stipulated security cover, as per terms of sanction. | COC | DMD |
| b. | Ceding of pari-passu charge/ second charge on the assets of an assisted concern in favour of banks/ other institutions with dilution in stipulated security cover, as per terms of sanction. | Respective Sanctioning Authority | None |
| 3 | Permission for extension of time in creation of security (over and above the time given at the time of sanction) | Respective Sanctioning Authority | None |
| 4 | Approval for change in the escrow mechanism | COC | DMD |
| 5 | Granting of time for filing CHG-1 for corporate guarantee and for CERSAI entry | COC | DMD |

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| 6 | Permitting the assisted company to issue guarantees in favour of their subsidiaries and others not covered in the sanction terms | COC | DMD |
| 7 | To approve extension of redemption period in case of redeemable preference shares | Sanctioning Authority on recommendation of COC | None |
| 8 | Permission to sell/ not to sell/ discontinue selling of listed/unlisted shares held as security and fixation of reserve/ floor price | Share Sale Committee consisting of Two CGMs and Head-Treasury | MD & CEO |
| 9 | Levy of additional interest for non-creation of security including DSRA. | COC | DMD |
| 10 | Issuance of NDC/NOC and Release of Securities/ Return of Title Deeds/ Documents after all the money have been repaid and account is closed. Release of excess corporate/personal guarantee on payment of outstanding dues. | RO Head (wherever applicable)/ GM- Credit | Concerned CGM/ Vertical Head |
| 11 | Change in security trustee without change in security cover/terms | RO Head (wherever applicable)/ GM- Credit | Concerned CGM/ Vertical Head |
| 12 | Issue of letter of authority for creation of joint equitable mortgage. | RO Head (wherever applicable)/ GM- Credit | Concerned CGM/ Vertical Head |
| 13 | Deputation of representative / observer to attend the meetings of the Board of Directors and shareholders and other meetings of assisted concerns and granting approval for conducting AGMs/EGMs on short | RO Head (wherever applicable)/ GM- Credit | Concerned CGM/ Vertical Head |

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| | notice, along with the approval for voting on agenda items | | |
| 14 | Release of physical shares and permitting time for subsequent pledge back after de-matting | Concerned CGM/ Vertical Head | COC |
| 15 | Permission to shift any machinery / equipment from one mortgaged premises to other mortgaged premises | Concerned CGM/ Vertical Head | COC |
| 16 | Permission to let out or lease out any part of the mortgaged assets as also to hire machinery/ equipment from others for installation and use on the mortgaged assets | Concerned CGM/ Vertical Head | COC |
| 17 | Appropriation of funds in Debt Service Reserve Account (DSRA)/ Fixed Deposit w/lien marked in IFCI's favour towards overdues. | GM (Credit) | Concerned CGM/ Vertical Head |
| 18 | Approval for recovering charges/fees higher than prescribed rates | At HO: GM (M&R) At RO: RO Head (In case of ROs headed by an officer below the rank of DGM, GM (M&R) at H.O. would be the approving authority) | Concerned CGM/ Vertical Head |
| Other matters: | | | |
| 1. | Competent Authority to approve any other operational matters | CGM/ Vertical Head | COC |
| 2. | Modifications in the Lending Operations Instructions (OI): | MD & CEO on recommendations of COC. | EC |
| 3. | To approve need based modifications to operationalize RBI's Regulatory package /instructions, pursuant to outbreak of Covid 19 pandemic | MD & CEO on recommendations of COC | EC |

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| 4. | Taking on record annual review for cases sanctioned by CIC/ EC/ Board. | For principal o/s as on date of Annual Review exceeding Rs.100 crore- CIC For principal o/s as on date of Annual Review below Rs.100.00 crore- COC | EC |
| Notes | | | |
| 5. | a. Wherever the matter involves legal issues, GM (Law) will be a part of the Committee/Comments of GM (Law) would be obtained. b. For clauses not specifically covered in DOP of Credit Dept. but covered in M&R / Legal Dept.'s DOP, the respective Dept.'s DOP may be used before referring to the DOP for residual powers. c. For cases originally sanctioned by the Board, the power of Sanctioning Authority, wherever applicable, shall be exercised by EC. | | |

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