

### **Chapter -3:**

#### **The procedure followed in the decision-making process, including channels of supervision and accountability;**

##### **Key decision-making points:**

Overall management of the Company is vested with the Board of Directors of the Company. The Board of Directors is the highest decision-making body within the Company. As per the provisions of the Companies Act, 2013, certain matters require approval of the shareholders of the Company in a General Meeting. The Board of Directors is accountable to the shareholders of the Company, i.e., promoters of the Company. The primary role of the Board is that of trusteeship to protect and optimize shareholder's value. The Board oversees the Company's strategic direction, reviews corporate performance, authorizes and monitors strategic decisions, ensures regulatory compliance and safeguards the interests of shareholders. The day-to-day management of the Company is entrusted to the Managing Director & Chief Executive Officer (CEO) who is supported by the Functional Management Team of the Company. Subject to provisions of the Act, the Board has delegated powers to MD & CEO enabling him to have operational autonomy in the business and affairs of the Company. The Managing Director & Chief Executive Officer (CEO) has delegated specified powers to Officers and employees in line with the business requirements.

##### **Final decision-making authority in CESL:**

Managing Director & Chief Executive Officer, Convergence Energy Services Limited (CESL) is the final decision-making authority in CESL subject to the Delegation of Powers (DoP) manual adhered to in CESL.

The Board of Directors of CESL are also responsible for some decisions in CESL, which are beyond the powers of the MD & CEO.

##### **Related Provisions/ Acts/ Rules:**

Delegation of Powers (DoP) manual of CESL In addition to the acts/rules/statutes from the Government, or any other applicable authority, the fundamental document that CESL uses is the Delegation of Powers (DoP) manual to transfer and delegate financial powers to officers at different positions in CESL.

This fundamental document governs all the powers available and delegated to different officers of CESL for carrying out their duties and functions. An instrument of the Delegation of Powers (DoP) manual is used within the company to designate powers to officers of CESL at different levels. The DoP manual broadly flows from top-downwards with the Board of Directors in its capacity of being the highest decision-making body, having powers to dispose of a business decision. The decision-making process within the company involves approval from the senior authority, which is often above the officer initiating a certain task. As already described above, this decision-making process is further in alignment with the powers of each officer mentioned in the Delegation of Powers (DoP) manual of CESL. In simpler terms for the public, the DoP clearly defines the financial powers of an officer of a certain position. An action that is taken in the company, which has financial implications, needs to be routed to a certain level of the officer who has the financial powers corresponding to the estimated (or actual) financial implication of that particular task or assignment.

##### **The time limit for taking decisions:**

As CESL broadly doesn't assume the role of an authority passing decisions or judgements directly impacting the members of the public, this section does not apply to CESL. Further, in various

matters, CESL may also not directly liaison with the general public and is more in coordination with the Government(s) or different stakeholders. Whereas, in terms of other decision(s) stipulated in mandatory statutes, the timelines to deliver such decisions are strictly by the respective statutes.

The decisions making process in the Company involves the following Channel:

