



# Power of Attorney In a JDA



Knowledge Series – 2, Episode 2

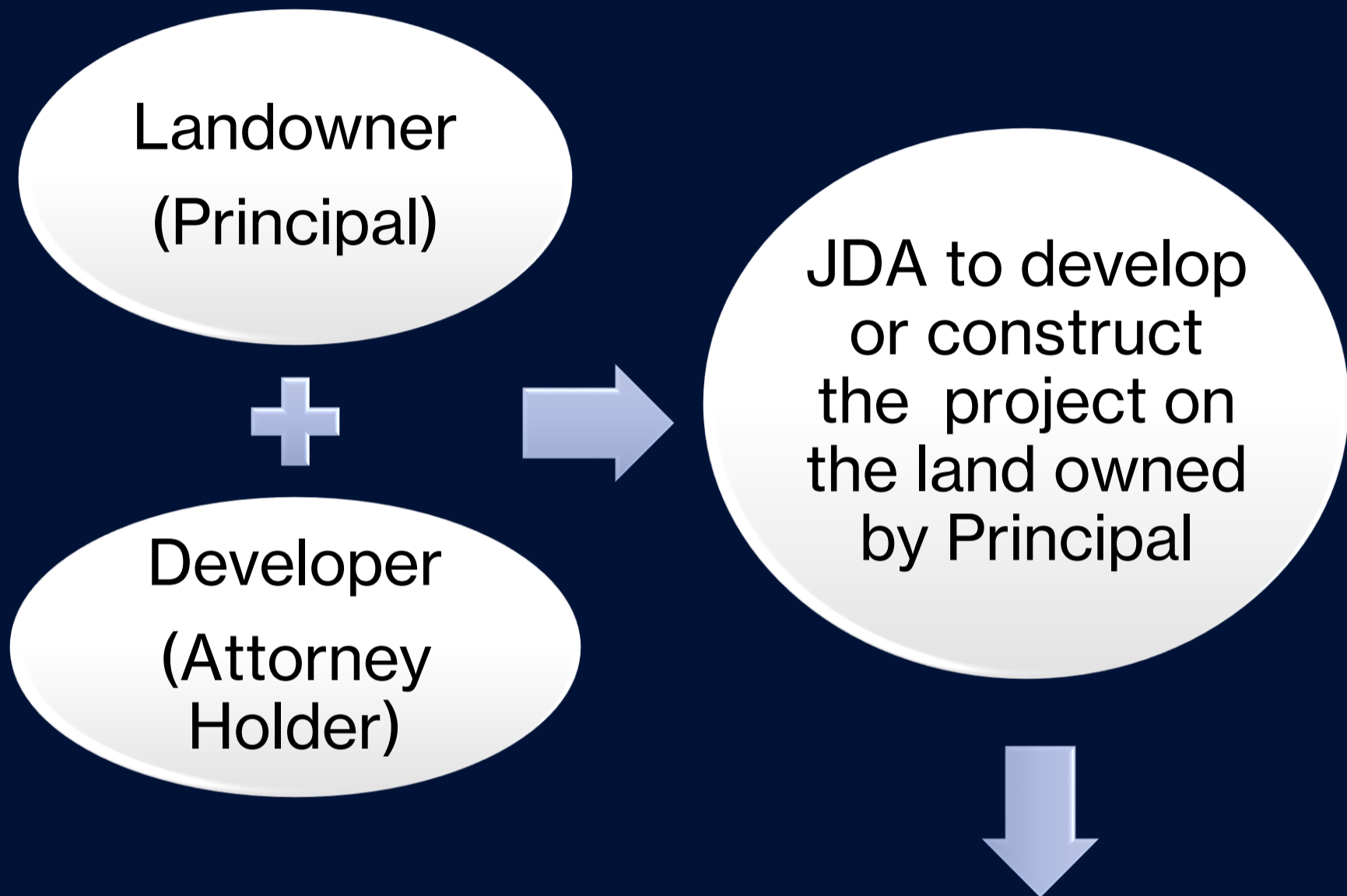
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# What is POA

- Power of Attorney ( POA ) is a registered legal document executed between landowner (Principal) and developer (Attorney Holder) which empowers the attorney holder to perform certain duties and take necessary actions as required without prior consent of the landowner .
- This documents contains all the rights and liabilities in detail to avoid any further disputes and misunderstanding, which may arise from the transfer of project development rights.

# Process



POA is a registered document executed between both the parties along with JDA

# Need for a POA

- Though JDA is a complete document covering an arrangement between landowner and developer for a project, it needs to be qualified by an additional document like POA.
- In few cases the developer himself does not want any interference from the landlord in the project due to which he insists on a POA while signing the JDA.
- There may be situation where landowner being a passive stakeholder might not want to concern himself with day-to-day operations.
- For any external capital raising, the lender/investor would insist on a POA in JDA.

# General & Special Powers

## General Powers

- Seeking approvals from competent authorities
- Presenting in front of required authorities
- Executing agreement to sale with customers
- Other operational powers prescribed in POA

## Special Powers

- Availing of credit facilities (with or without limits) from financial institutions.
- Creating registered mortgage / extension of mortgage on land / development rights
- Mortgage of landowner share

# Key Points

- In case of area sharing , demarcation of units is generally covered in POA.
- Both the parties have sufficient rights to revoke POA in case of breach of terms as mentioned in the agreement.
- If loan is availed by developer for construction of projects and if there is any default or failure to repay loan, the landowner may stand indemnified of the liability to pay either the principal or the interest thereon.

Each Man is Capable of Doing  
One Thing Well. If He  
Attempts Several, He Will Fail  
to Achieve Distinction in Any.

- Plato

*Stay tuned for  
more knowledge*

