

Board Paper:

Fintrex Finance Ltd

CONSOLIDATED DELEGATION OF AUTHORITY
DOCUMENT – Amended

06/12/2022

01. General Payment Approvals, Operation of Bank Accounts and Disposal of Company owned Assets

A. Approval of Recurrent Expenditure (excluding employee emoluments)

Authorization of Payment Vouchers

Recommended by	Approved by
Departmental Head	General Manager-CEO/COO

Refer Transaction Authorization limits for additional information

Petty Cash Approval

Recommended By	Approved By
Departmental Head	General Manager-CEO/ COO/ CFO/AGM HR & Admin - up to Rs. 10,000/-AGM up to Rs. 5,000/- Manager/Assist Manager –Finance Rs.1000/-

Overhead Payment Approvals

Limit	First Signatory	Second Signatory
All Overhead Payments	Any one of Authorized Signatory attached to Finance Department	Chairman/Any Director/GM/CEO/CFO/Senior ManagerTreasury

B. Disposal of Company owned Assets

Selling price of Company Owned assets to be recommended to the Board by Asset Disposal Committee (ADC). ADC will comprise of CEO,COO,CFO and respective AGM/Manager in charge of the asset to be disposed.

C. Operation of Bank Accounts – Amendment Approved by The Board on 17th November 2022

Authorized signatories	Authorized signatories
Above Rs.25Mn	Any one signatory from Category “A”, together with any one signatory of Category “B” or “E”
Up to and including Rs.25Mn	Any one signatory from Category “A”, together with any one signatory of Category “B” or “E” Any One signatories of Category “B” together with signatory of Category “C” or “D” or “E” or “F” Any One signatories of Category “C” together with signatory of Category “E”
Up to and including Rs. 5 Mn	Any one signatory from Category “A”, together with any one signatory of Category “B” or “E” Any One signatories of Category “B” together with signatory of Category “C” or “D” or “E” or “F” Any One signatories of Category “C” together with signatory of Category “E” Any one signatory from Category “E”, together with any one signatory of Category “D” or “F” Any two signatories from Category “E”
Any Amount in favour of “Fintrex Finance Ltd.”(Inter- Company Bank Transfers)	Any two signatory from Category “A”, “B”, “C”, “D”, “E” or “F”

Signature Categories

The Signatories of Category “A” being

Mr. A. D. Gunewardene	- Chairman
Mr. J. R. Peiris	- Director
Mr. S. Nagpal	- Director
Mr. H.M.J. Bandara	- General Manager/Chief Executive Officer

The Signatory of Category “B” being

Mr. H. B. Keerthirathna	- Chief Financial Officer
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The Signatories of Category “C” being

Mr. Sajeewa Sapukotana	- Chief Operating Officer
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The Signatories of Category “D” being

Mr. Udana Weerasinghe	- Senior Manager – Credit & Risk Management
Mr. W.T.Yenuka Geemal	- Senior Manager - Treasury

The Signatories of Category “E” being

Mr. W.K.C. Shanaka Vithana	- Senior Manager – Finance
Mr. E. L. Peliarachchi	- Manager - Finance

The Signatories of Category “F” being

Mr. S. A. N. Jayabandu	- Manager – Finance
Mr. B. M. L. Chenuka Bandaranayaka	- Assistant Manager – Finance
Mr. H. Lahiru Maduranga Perera	- Assistant Manager - Finance

02. Lending Delegation of Authority

Leasing/ Vehicle Loans/ Loans/ Factoring/ Trade Finance/ Revolving Loan

(Rs.'Mn)

Approving Authority	Recommendation	Single facility limit			Cumulative Facility limit
		Leasing/VL	Loans	FC/TF/RL	
Selected Branch Managers – Delegated on 20/01/2021	MO	Up to 0.75			Up to 0.75
Regional Manager – Delegated on 24/03/2021	BM/OIC	2.5	-	-	2.5
Senior Manager Business Development – Delegated on 23/06/2021	BM/OIC/ HOL/RM	3.5	-	-	3.5
AGM – Business Development – Delegated on 24/03/2021	BM/OIC/ HOL/RM	7.5	-	-	7.5
DGM/COO – Delegated on 29/04/2021	BM/OIC/ HOL/RM	10.0	9.0	-	10.0
GM/CEO	COO/CMC/AGM L	15.0	10.0	10.0	15.0
ICC	BM/OIC/ HOL/RM/AGM	20.0	15.0	15.0	20.0
Chairman/Non Independent Director	ICC	30.0	35.0	30.0	35.0
BCC	ICC	50.0	50.0	50.0	50.0
Board	BCC	>50.0	>50.0	>50.0	>50.0

Gold Loan – Proposed Change due to improve in business volumes

(Rs.'Mn)

Approving Authority	Total Exposure Per Client
Gold Loan Executive	0.25
Senior Gold Loan Executive	0.50
Assistant Manager – Gold Loan Operation	0.75
Manager – Gold Loan Operation	2.0
Senior Manager – Gold Loan Operation	10.0
DGM/ COO	15.0
GM/ CEO	25.0
Chairman/ Non Independent Director	35.0
BCC	50.0
Board	Above 50.0

Cash Backed Loan – Approved by Board on 20th October 2022

(Rs.'Mn)

Approving Authority	Facility limit
Head of Deposit	25.0
AGM Business Development	50.0
DGM/ COO	75.0
GM/ CEO	100.0
Chairman	150.0
BCC	200.0
Board	250.0

- *CEO shall function as the apex executive-in-charge of the day today management of the company's operations and business. Hence CEO will be delegated the authority to any junior officer as required which should be informed to sub delegated authority in writing.*
- The members of ICC are CEO, COO and AGM - Business Development – **Changed with the resignation of Chief Manager Credit**
- Single facility limit Leasing, Loans and FC/TF/RL refer to any single facility to a Client under. Cumulative means total capital exposure of a Client/Group at any given time including the proposed facility. It can be a combination of facilities or facilities under any single product.
- All Hiring and Operating Leases will be approved by CEO based on the recommendation of COO
- All facilities over Rs 7Mn will be reported to the board monthly by Credit department.
- Any amendment to the approved facilities before disbursement can be approved by the same approving authority
- Delegation of Authority for facility reschedulments will be the next higher authority of original approving authority. In the event original facility was approved by CEO/ICC/Chairman such facilities to be approved by the Board unless otherwise special approval grated by the Board. (eg: Tourism)

03. Operational Delegation of Authority

A. Issuing of Purchase Orders – Amendments approved by CEO on 05/01/2022

Value of PO	1 st Signatory	2 nd Signatory
Manual PO – Bikes	Any Senior Executive approved by Internal Credit Committee/Any Branch Operations Officer/ Any Asst Manager/Manager	NA
Up to Rs 2.0 Mn	Any Operations Officer or Manager of the Company	Manager – Operations /Senior Manager – Operations
Above Rs 2.0 Mn	Any Manager of the Business Unit or Above	Manager Operations or Above (E- Signature)

* Any officer in the higher category can sign for any lower category

* Other than for Bikes, two signatories are required for purchase orders

B. Execution of Legal Documents – Amendments approved by CEO on 05/01/2022

Type of Document	Value	1 st Signatory	2 nd Signatory
Lease	Up to Rs 0.50Mn	Any Senior Executive in Operations/Any Asst Manager/Any Manager	NA
Loan	Up to Rs 0.50Mn	Any Senior Executive in Operations/Any Asst Manager/Any Manager	Any one of Manager - Operations/ Senior Manager –Operations /AGM BD/ COO
Lease/Loan/Hiring/ Factoring/ Cheque Discounting	Up to Rs 5.0Mn	Any Manager	Any of Manager Operations /Senior Manager –Operations / AGM BD/ COO
Lease/Loan/Hiring/ Factoring/ Cheque Discounting	Above Rs 5.0Mn	Manager Operations or Above	Senior Manager Operations or Above

C. Approval of Facility Disbursements - Amended on 05/01/2022 by CEO

Lease Facilities	Up to Rs. 2.0 Mn	Assistant Manager – Operations or Above
	Above Rs. 2.0 Mn	Manager Operations or Above
Trade Finance Facilities	Up to Rs 5.0Mn	Manager - TF
	Above Rs.5.0Mn	Manager – TF with AGM BD/ COO/ CEO
	AGM BD/ COO & CEO is permitted to approve 10% excess on the approved limits subject to advances are within approved security percentage	

D. Execution of RMV Documents – Proposed Change due to change of staff members

Type of Document	Authorized Signatory	
Endorsement Absolute Ownership (MTA 03) & three Transfers	Any authorized officer of Category “A” with an Officer of Category “B” or Any two authorized officers of category “A”	
	Category A Any Assistant Manager or any Manager or higher	Category B Any Senior Executive attached to operations or credit divisions
Deletion of Absolute ownership	Any authorized officer of Category “A” with an Officer of Category “B” or Any two authorized officers of category “A”	
	Category A CEO COO CFO AGM – BD AGM – PM SM - Finance SM – Treasury Manager -Finance	Category B Assistant Manager-Finance Manger - Operation Senior Manager –Operations
Ownership Transfer of Vehicles Owned by the Company	Any Value Except Hiring Vehicles – Any two Directors or a Director and Company Secretary after obtaining Board Approval.	
	Hiring Vehicles –/COO/GM-CEO /Any two Directors of the Company	

Sale of Acquired/Repossessed Vehicles	Any authorized officer of Category “A” with an Officer of Category “B” or Any two authorized officers of category “A”	
	Category A – Mr. Jayathilake Bandara – GM/CEO Mr. Sajeewa Sapukotuna– COO Mr. Hearath Keerthirathna – CFO Mr. Samantha Weragoda AGM BD Mr. Kamal Kumarasinghe – AGM PM	Category B Mr. Charitha Vithana – SM Finance Mr. Yenuka Geemal – SM Treasury Mr. Eshard Pelliachchi – Manager Finance Mr. Weranga Jayasekara – SM Operations

04. Delegation of Authority on Recoveries

A. Write off overdue Interest, normal Interest and Capital

Limit per Customer	Approving Authority
Amount of Overdue Interest within given IRR	
Upto 100%	CEO
Amount of interest write off resulting reduction of given IRR	
Upto Rs 200,000	CEO
Rs 200,001 to Rs 400,000	Chairman
Above Rs 400,000	Board of Directors
Amount of Capital to be Written off	
Upto Rs 200,000	CEO
Rs 250,001 to Rs 500,000	Chairman and One Director
Above Rs 500,000	Board of Directors

- Except the first category above all other categories delegation for CEO is to be exercised only on full settlement of non-performing and legal facilities and removing of very small balances that are unrecoverable.
- CEO can delegate his authority to junior officers handling the related work including the AGM– PM.
- Capital Write-offs to be reported to the Board on monthly basis.

B. Selling Price of Repossessed Vehicles

Selling Price	Approving Authority
Selling price is greater than early termination value (Capital Outstanding + Early Termination Charge + Any other applicable charges)	Senior Manager - Recoveries
Selling price less than the forced sale value but greater than termination value (Capital Outstanding + Early Termination Charge + Any other applicable charges)	AGM PM /COO
Selling price is lower than the forced sale value and lower than termination value (Capital Outstanding + Early Termination Charge + Any other applicable charges)	AGM PM with GM/CEO Delegation for Two wheelers and Three Wheelers – AGM PM with COO
Initiation of Mediation Board action	AGM PM with COO
Initiation of Legal action	GM/CEO with AGM PM/COO

05. Authorizing of Deposit Certificates - Approved by the Board on 16th June 2022**(Rs.'Mn)****Signature Categories**

Approving Authority	Category	Limit
Branch Manager or Manager Deposits	E	2.0
Any Senior Manager	D	10.0
Asst. Manager up to SM in Finance Department	C	25.0
CFO	B	50.0
CEO/ COO or Head of Deposits	A	Any Amount

Authorized Signatories

Deposit Value	Authorized Signatories	
	1st Signature	2nd Signature
2.0	Anyone of Category B/ C/ D/ E	Category A
10.0	Anyone of Category B/ C/ D	Category A
25.0	Anyone of Category B/ C	Category A
50.0	Category B	Category A
Over 50.0	Head of Deposit	CEO/ COO

CEO shall function as the apex executive-in-charge of the day today management of the company's operations and business. All operational level delegations whether mentioned or not mentioned above are vested with the CEO and he may sub delegate the authority to any junior officer as required which should be informed to sub delegated authority in writing.

Abbreviations used

AGM BD- Asst General Manager- Business Development

AM – Assistant Manager

BCC – Board Credit Committee

BM- Branch Manager

CFO – Chief Financial Officer

COO – Chief Operating Officer

FC – Factoring

GM/CEO – General Manager/Chief Executive Officer

ICC – Internal Credit Committee

MO – Marketing Officer

M –Manager

OIC – Officer In Charge

PO – Purchase Order

RL – Revolving Loans

RM – Regional Managers

TF – Trade Finance