

CEO Circular No. 15/2020

CEO's Office
Sri Lanka Telecom PLC
Colombo
05th March 2020

To: All Staff,

DELEGATION OF FINANCIAL AUTHORITY

Board of Directors has approved to revise the CEO's Circular number 19/2019 with effect from 7th February 2020.

1. Payment /Purchase Approval Authority.

a. Non-Standardized Goods & Services

| Approval Authority | LKR |
|---|-----------------------|
| | Limit (Up to) |
| Executive in A5 or above | 100,000 |
| Deputy General Manager | 750,000 |
| General Manager/Deputy Chief Officer | 1,500,000 |
| Chief Officer | 2,000,000 |
| Chief Supply Chain Mgt. Officer/Chief Financial Officer | 5,000,000 |
| Chief Operating Officer (Note 1) | 8,000,000 |
| Chief Executive Officer (Note 1) | 12,000,000 |
| Junior Tender Board | 5,000,000-30,000,000 |
| Senior Tender Board | 30,000,000-75,000,000 |
| SLT Board | Over 75,000,000 |

Note 01: Payments between LKR 5 Million to 12 Million should normally be channelled through Junior Tender Board. However due to business requirements, Chief Operating Officer and Chief Executive Officer can approve up to LKR 8 Million and LKR 12 Million respectively.

Note 02: Under the normal circumstances unless it is specified, all the items shall be treated as non-standardized.

b. Standardized Goods & Services

| Approval Authority | LKR |
|---|-----------------------|
| | Limit (Up to) |
| General Manager - Procurement | 2,000,000 |
| Chief Supply Chain Mgt. Officer/Chief Financial Officer | 8,000,000 |
| Chief Operating Officer (Note 1) | 10,000,000 |
| Chief Executive Officer (Note 1) | 15,000,000 |
| Junior Tender Board | 8,000,000-30,000,000 |
| Senior Tender Board | 30,000,000-75,000,000 |
| SLT Board | Over 75,000,000 |

Note 01: Payments between LKR 08 Million to 15 Million should normally be channelled through Junior Tender Board. However due to business requirement, Chief Operating Officer and Chief Executive Officer can approve up to LKR 10 Million and LKR 15 Million at the discretion of Chief Operating Officer and Chief Executive Officer respectively.

Note 02: Standardized products and services are the items Standardized by respective Standardization committees.

c. Statutory Payments

| Approval Authority | LKR |
|---|---------------|
| | Limit (Up to) |
| Any Executive in A5 and above of the relevant field | 1,000,000 |
| Deputy General Manager of the relevant field | 100,000,000 |
| General Manager of the relevant field | 500,000,000 |
| Chief Officer of the relevant field | Any Amount |

d. Utility Payments – Electricity, Water, Postage and Fuel etc.

| Approval Authority | LKR |
|-----------------------------------|---------------|
| | Limit (Up to) |
| Any Executive in A5 and above | 1,000,000 |
| Respective Deputy General Manager | 3,000,000 |
| Respective General Manager | 10,000,000 |
| Respective Chief Officer | Any amount |

e. Payments for International Connectivity & IP Transit services from International Operators and Global ISPs, Operation & Maintenance to Central Billing parties of respective cable systems, Capacity Swaps/Sales/Leasing etc.

Due to business requirements, CEO is authorised to approve up to the limit of LKR 75.0 million for any of the above category of payments. Board approval should be obtained for over LKR 75.0 million.

2. Contract Signing Authority

Non-Standardized/Standardized Goods & Services

| Contract Signing Authority | Limit (LKR) |
|-----------------------------------|---|
| No contract/agreement is required | Up to LKR. 5,000,000 not necessary unless user requires |
| GM Procurement & CSCMO | 5,000,000 to 30,000,000 |
| COO or CSCMO or CFO & CEO | 30,000,000 to 75,000,000 |
| COO or CSCMO or CFO & CEO | Over 75,000,000-Related to Enterprise Solutions |
| COO or CEO & a Director | Over 75,000,000 excluding Enterprise Solutions-STB & Board approved |

Exceptions to Contract Signing Authority;

Agreements with International IPLC, Internet Connectivity Providers, ITSA and Rate Agreements can be signed by CEWO and CEO. Order forms can be signed by GM Carrier Business or DGM Carrier Business International with CEO's prior approval for the amount of the financial commitment.

3. Additional Budget Authorization

a. CAPEX

| Designation | Limit |
|--|--|
| | LKR |
| General Manager – Financial Planning and Management Accounting | 1,000,000 |
| Chief Financial Officer | 10,000,000 |
| Chief Executive Officer | 75,000,000 within approved Capex envelop |
| Strategic Investment Management Committee | Unlimited within approved Capex envelop |

b. OPEX (Within the approved ABP envelop)

| Designation | Limit |
|---|---|
| | LKR |
| General Manager – Fixed Assets & Budget | 200,000 |
| Chief Financial Officer | 10,000,000 |
| Chief Executive Officer | Any amount within approved Opex envelop |

Note: Any amount of additional OPEX outside the ABP approved envelop should be authorized by the Board of Directors.

4. SLT Vision Com Payments

CEO of SLTVC shall be given the authority equivalent to the level of SLT Chief Officer to contract with the content providers under the conditions of the authority matrix, if CEO of SLTVC is an employee of SLT. Contracts with the local content providers for Video on Demand can also be signed by CEO of SLTVC.

5. The above authorisation limits are including Taxes and Levies except VAT as long as VAT is recoverable.

6. The officer approving the payments/budgets and signing the agreements is responsible to strictly adhere to the authorization limits stated above.

7. This circular replaces the CEO circular number 19/2019



K.A.K Perera
Chief Executive Officer