



# **PERFORMANCE REPORT**

**2015**

**Department of Public Enterprises**

# **Vision**

**“To be the apex body, which ensures good governance of Public Enterprises in Sri Lanka”**

# **Mission**

**“Strengthening governance in Public Enterprises through best practices to optimize performance and to safeguard the public interest”**

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# Performance of the Department of Public Enterprises

## 1. Overview

The Department of Public Enterprises (PED) was re-established in 2002 with a view to monitor the performance of State Owned Enterprises (SOEs) and administer Part II of the Finance Act no 38 of 1971( Public Corporations - Financial Control) to improve the performance of SOEs through enhanced corporate governance. Currently, there are around 245 SOEs in Sri Lanka and out of that 127 SOEs are under the purview of the PED while the balance 118 SOEs that are budget dependent, are under the purview of the National Budget Department. Out of the SOEs under the PED's purview, 55 SOEs have been identified as Strategic State Owned Business Enterprises (SOBEs) engaged in commercial activities. The value of total assets of the 55 SOBEs grew by 10 percent from Rs. 5,603 billion in 2014 to Rs. 6,165 billion as at 31<sup>st</sup> December 2015. The top ten strategically important SOBEs, namely Sri Lanka Ports Authority (SLPA), Airport and Aviation Services Limited (AASL), Sri Lankan Airlines (SLA), Ceylon Petroleum Corporation (CPC), Ceylon Electricity Board (CEB), National Water Supply and Drainage Board (NWSDB), Bank of Ceylon (BOC), People's Bank (PB), National Savings Bank (NSB) and Sri Lanka Insurance Corporation Ltd (SLIC) accounted for Rs. 5,525 billion or 89.6 percent of the total asset base of the 55 SOBEs.

## 2. PED's Main Activities During 2015

### a) Issuance of Circulars and Amendments to Guidelines

PED continued to develop and issue circulars/guidelines related to operational and financial management of public enterprises. During 2015, the Department has issued three circulars on the provision of communication facilities, transport facilities and the allowances for the Board of Directors to ensure good governance and financial discipline of SOEs.

b) Assistance to COPE Proceedings

After the General Election held on January 2015, a new Committee on Public Enterprises (COPE) was not appointed during 2015. Therefore, COPE did not function during the year. However, the progress of follow up actions taken by the SOEs on directions/recommendations given by the COPE in 2014 was monitored. PED followed up submission of Annual Reports by SOEs to the Parliament. The details are given in Annex I.

- c) Audit findings of the Auditor General's reports on the financial statements of the SOEs were followed up.
- d) PED officials represented Treasury at shareholder meetings, Annual/Extraordinary General Meetings of SOEs and provided direction to the management on improving the performance of SOEs in line with the government policy framework.
- e) With the recommendation of the Auditor General, Auditors were appointed to SOEs which are companies incorporated under the Companies Act in order to maintain good governance practices among all SOEs. In line with the 19<sup>th</sup> amendment to the Constitution, the Auditor General shall audit all the SOEs. This initiation will be fully operated from 2016. Accordingly, some of the audits were carried out by private audit firms appointed by the PED with Auditor General's concurrence in 2015.
- f) PED liaised with the Ministry of Finance (MOF) to obtain MOF's concurrence for activities and operations of SOEs where necessary as per the Finance Act, Financial Regulations or PED circulars. After analyzing of the requests made by SOEs and considering their conformity with government policies, recommendations were made by PED to MOF. These include authorization of capital expenditure, enhancing of borrowing limits, tariff revisions etc.
- g) PED exercised its authority granted by the guidelines/circulars issued by MOF in granting approvals to SOEs for purchase of vehicles, foreign travels, budgetary provisions, and cash releases.
- h) PED provided clarifications to SOEs with regard to guidelines and other legal provisions applicable to SOEs.

- i) PED facilitated amendments to Acts and Ordinances by way of reviews and discussions.
- j) Numerous meetings, chaired by Hon. Minister of Finance, Secretary to the Treasury, Deputy Secretary to the Treasury or Director General were held with Boards of Directors/ Senior Management of SOEs to review progress, performance, and discuss and resolve operational issues etc.
- k) PED studied and analyzed Cabinet Memorandum submitted in relation to SOEs under its purview and provided necessary observations to be submitted to the Cabinet as follows:

**Table 1: Cabinet Observations- A Sectorial Analysis**

| <b>Sector</b>            | <b>No. of Cabinet Observations</b> |
|--------------------------|------------------------------------|
| Energy                   | 17                                 |
| Ports                    | 22                                 |
| Aviation                 | 7                                  |
| Water                    | 8                                  |
| Commuter Transport       | 11                                 |
| Construction             | 5                                  |
| Livestock                | 5                                  |
| Plantation               | 8                                  |
| Non Renewable Resources  | 3                                  |
| Health                   | 3                                  |
| Media                    | 9                                  |
| Marketing & Distribution | 7                                  |
| Restructuring            | 15                                 |
| Fisheries                | 4                                  |
| Bank                     | 2                                  |
| Non Business             | 2                                  |
| <b>Total</b>             | <b>128</b>                         |

- l) PED provided its guidance to the Committee that had been set up for negotiation of the Collective Agreements.
- m) Dividends and levies were collected from SOEs on behalf of the MOF and two revenue accounts for the year were prepared.
- n) A process to reconcile the State Investment Account was initiated in 2014 and information is being collected from all SOEs and their subsidiaries.

### **3. Physical Performance of SOEs under PEDs Purview**

#### **3.1 Payment of Dividend/Levy to the Treasury**

In terms of the government policy on revenue collection from SOBEs, all SOBEs are required to contribute at least 30 percent of their profit or 15 percent of their equity to the Treasury annually.

During 2015, only 45 SOBEs out of 62 SOBEs contributed to the non-tax revenue by way of dividend and levies, which accounted to only Rs. 29.8 billion. This is a decline of 36 percent over 2014. In spite of the decline in the dividend and levies, State Banks, Telecommunication Regulatory Commission (TRC) and Sri Lanka Insurance Corporation (SLIC) remain the largest contributors, while the Ceylon Petroleum Corporation (CPC), Ceylon Electricity Board (CEB) and Sri Lanka Ports Authority (SLPA) the three largest SOBEs remain conspicuous by their absence. Accordingly, State banks, and Telecommunication Regulatory Commission accounted for around 38 and 33 percent respectively of the total dividend and levy income of the Treasury for the year. A list of dividends and levies collected during 2015 is given in Annex II.

#### **3.2 Employment in SOEs**

The workforce in 257 SOEs is increased marginally (by 0.8 percent) in 2015 recording a workforce amounting to 237,811 in comparison to 2014.

#### **3.3 Budget Support for SOEs**

Transfers from the budget to SOEs remain by way of investment amounted to Rs. 95 billion. Moreover, Treasury has granted Rs. 19 billion as transfers to 8 SOBEs for the purposes of restructuring, expanding business activities, payments for salaries and wages acquiring technical know-how and material in 2015.

12 SOEs were provided with budgetary support in the year 2015 amounting to Rs. 94 billion and in the year 2014, 30 SOEs were given budgetary support amounting to Rs. 126 billion. Accordingly when compared to last year, it is a 24 percent decline and it is mainly due to the reduction of the capital grants for SOBEs. A list of SOEs under PED's purview for which budget support was provided is at Annex III.

### 3.4 Financial outlook of the Strategically Important SOBEs

The PED collects and analyzes financial information from SOEs periodically and based on the results, review meetings were held with Board of Directors, and/ or the management of SOEs. The financial outturn of the strategically important SOBEs is given in Annex IV.

## 4. PED's Contribution to Improve Performance of SOBEs

### 4.1 Measures Taken to Improve Performance of SOBEs and Recommendations made by PED

To ensure achievement of short term and medium term targets of SOEs, following key recommendations had been suggested.

| Sector   | Measures taken to Improve Performance of SOBEs   | Recommendations  |
|--|--|--|
| <b>Energy Sector</b><br><br>Ceylon Electricity Board (CEB) | CEB has turn around its financial performance recording an operating profit of Rs. 20.7 billion for the year 2015.<br>CEB managed their financial position by substituting generation from thermal to coal power generation. With the generation of 4,457 GWh of coal power to the generation mix, the dependency of hydro power has been relaxed to some extent due to the wet weather condition prevailed in 2015 and increase of coal | CEB involvements are needed more, so given that the demand for electricity and use of electricity have expanded with the advent of electric cars, increase in per capita income which gives rise to use of more electric appliances.<br><br>At the same time, country's energy policy requires that by 2020 at least 20 percent of the country's electricity generation capacities |



| Sector                             | Measures taken to Improve Performance of SOBEs  | Recommendations  |
|------------------------------------|---|--|
| Ceylon Petroleum Corporation (CPC) | <p>power generation, power generation composition changed from Hydro: Thermal: Coal 39:35:26 to 45:21:34 resulting a decrease in cost per unit to Rs. 14.85 from Rs. 20.15 in 2014 CEB was able to further reduce the system losses up to 10 percent in 2015 compared to 17 percent in 2007 with the major investment on the distribution and transmission systems.</p> <p>CEB privileges a moderate capital structure through the policy decision taken to convert the on-lent loans amounting to Rs. 173 billion to government equity during the years 2014 and 2015.</p> | <p>must be from non-conventional sources. As such, CEB to meet their targets will have to look into innovative financial and structural models.</p> <p>CEB's capacity to reinvest in expansion and upgrading of its operations which require almost Rs. 15 billion per annum during 2016-2020 is severely compromised. In this context, going forward, CEB will have to actively engage with the capital market to source the required financial needs for the maintenance, expansion and upgrading of its asset base.</p> |
|                                    | <p>CPC being the major market player in the petroleum sector, currently holds nearly 85 percent of the market and it is the third largest market player in the lubricant industry. The imports of CPC in 2015 amounted to US\$ 1,867 million, representing nearly 10 percent of the total imports of the country which amounted to US\$ 18,935 million while contributing to around 10 percent of the government tax revenue.</p> <p>In line with the downward movements in international oil prices, average import</p>  | <p>Non-existence of government to government (G to G) term contracts for crude oil purchases would create problems in supply security and unplanned refinery shutdowns. Therefore, the government has taken steps to explore the possibility of purchasing of Murban crude oil on G to G basis.</p> <p>The limited capacity available for storage at the Ceylon Petroleum Storage Terminals Limited</p>  |

| Sector | Measures taken to Improve Performance of SOBEs  | Recommendations   |
|--------|---|---|
|        | <p>price of crude oil dropped to US\$ 41.21 per barrel in December 2015, compared to US\$ 75.98 per barrel recorded in December 2014. The average international market prices of the petroleum products for year 2015 were around US\$ 65 per barrel. Accordingly, the government drastically reduced the domestic prices of petroleum products on 22.01.2015 in order to pass through the benefits of the decline in international market prices of petroleum products to the consumers.</p> <p>The operational profit of CPC for the year 2015, amounting to Rs.27.6 billion is an increase of 122 percent compared to the operational profit of Rs.12.4 billion in year 2014. However, CPC closes the year 2015 with net loss of Rs. 18.4 billion in comparison to the net profit of Rs. 1.6 billion during the year 2014. The depreciation of the Rupee against the US Dollar by 9.3 percent during the year and the finance cost that could not be avoidable due to huge bank borrowings, impacted mainly on overall losses of CPC. The transport sector accounts for 69 percent of the total losses while almost 20 percent can be attributed to the export of locally refined bottom products. The losses incurred by the domestic sector due to selling of Kerosene below the cost, takes the third place by adding the</p> | <p>(CPSTL) at Kollonawa and Muthurajawela terminals for storage of refined petroleum products compromises the CPSTL's capacity to hold stocks specially during a dip in oil prices. In this context, government has proposed by 2016 budget to investigate the possibility of using the Trincomalee upper tanks farm back to oil storage.</p> <p>The dilapidated condition of the cross country pipe lines which are being used to discharge the products from port to terminals causes heavy congestions at berth due to low pressure being maintained at pumps. Hence, the average time taken to discharge cargo is well above the standards and this has caused CPC to incur huge demurrages. Considering these cost escalations, the government decided to invest on a new cross country pipeline with latest technologies.</p> |

| Sector   | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|--|--|---|
|  | <p>remaining 11 percent to the total losses.</p> <p>However, the power generation sector which has traditionally being a drain on CPC reserves has turned around to a profitable venture in 2015 as the fuel utilized for electricity generation was sold at a margin.</p>   |   |
| <p><b>Water Sector</b></p> <p>National Water Supply and Drainage Board (NWSDB)</p> | <p>NWS&amp;DB has a significant role to play in order to enhance access to pipe borne water existing level from 44 percent to 60 percent by 2020.</p> <p>As per the cabinet decision made on 18.03.2015, the on-lent loans to NWS&amp;DB by the Treasury as at 31.12.2014 amounting to Rs. 39.8 billion was converted in to government equity contribution in order to strengthen the balance sheet of NWS&amp;DB.</p> <p>Overall Non-revenue water level has been reduced over the years and currently it stood at 27.28 percent. But it still remains at a higher level of 46.16 percent in greater Colombo area which is also a considerable burden on the operational performance of NWS&amp;DB.</p> <p>Having considered the liquidity constraint faced by the NWS&amp;DB, Treasury issued a Rs. 13.9 billion worth bond in March 2015 in order to finance the local funding requirements of the water supply projects.</p> | <p>Since the NWS&amp;DB is not in a position to service the project loans independently due to weak cash flow generation, Treasury will provide required financing support until the entity improves its cash flow position. Accordingly Treasury guarantee and required budgetary provisions for debt servicing which agreed will be provided for medium term.</p> <p>Having considered the national importance of water projects, NWS&amp;DB should pay special attention to complete the planned water supply projects in timely manner in order to achieve set targets of 60 percent pipe borne water coverage by 2020.</p> <p>Funding requirements for small scale projects should be arranged by the NWS&amp;DB itself. Accordingly, NWS&amp;DB shall obtain the entity rating in order to raise debt finance</p> |

| Sector   | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|--|--|---|
|  | <p>Government aim is to ensure that 100 percent of the population has access to safe drinking water in the country specially to mitigate chronic kidney disease that is adversely prevalent in the country. Accordingly 100 percent of the debt servicing (capital and interest) of water projects aiming at reducing Chronic Kidney Disease will be borne by the treasury during next five years.</p> | <p>at competitive rates.</p> <p>Since the existing tariff mechanism does not create required cash inflows to meet financial obligations, a transparent and cost reflective tariff mechanism to be adopted gradually under the purview of the Public Utilities Commission of Sri Lanka (PUCSL).</p> <p>It is observed that lot of water projects are having undue delays and scope changes on implementation which results in incurring of additional commitment fee and unnecessary cost escalations. Therefore a close monitoring mechanism on the water projects should be introduced by the Ministry of city planning and water supply in collaborating with the Department of Project Monitoring and PUCSL.</p> |
| <p><b>Commuter Transportation Sector</b></p> <p>Sri Lanka Transport Board (SLTB)</p> | <p>An attractive VRS was proposed to remove the excess staff of SLTB and it is expected that at minimum 8,000 employees will retire.</p> <p>SLTB is in a process of finding the financial requirements of Rs. 13.2 billion to settle the unpaid statutory dues through</p>   | <p>The Enterprise Resource Plan (ERP) system needs to be extended to the operational level enabling the SLTB to manage its operations more efficiently and effectively.</p> <p>Dispose buses which are not in running condition.</p>  |

| Sector  | Measures taken to Improve Performance of SOBEs   | Recommendations  |
|---|--|--|
|   | <p>selling off the uneconomical additional lands of SLTB to the government development projects.</p> <p>General Treasury has allocated Rs.1,350 million per month to SLTB for payment of the recurrent expenditure.</p>  | <p>Business plans need to be formulated to convert the SLTB in to a profitable entity.</p> <p>Minimize fuel inefficiency and leakages by implementing proper internal controls.</p>  |
| <p><b>Aviation Sector</b></p> <p>Airport &amp; Aviation Services (Sri Lanka) Ltd.(AASL)</p> | <p>Aviation industry has a strong linkage with the tourism sector in almost every country. Sri Lanka handled 8,505,740 passengers in 2015, which is a 9.3 percent growth compared to 2014. Further international Aircraft movement in 2015 increased by 2 percent to 56,292 flights.</p> <p>Airport &amp; Aviation Services (SL) Limited is being engaged in Phase II of the Bandaranaike Airport development project which has the capacity to accommodate 15 million passenger movements per year.</p> | <p>Infrastructure facilities of aviation industry including air services, ground handling capacity and airport facilities and other related services need to be enhanced.</p> <p>Needs to ensure efficient and effective services delivery which directly affect brand image of the country among tourists.</p> <p>As per the budget speech in 2016, the government has decided to integrate courier companies to utilize Mattala Airport for the hub operations and utilize Mattala Airport as a cargo, air freight and encourage private sector to setup flying training school and maintenance, repairs, overhaul facilities in future.</p> |
| <p>Sri Lanka Airlines (SLA)</p>   | <p>Treasury repurchased shares held in SLA by Bank of Ceylon, Peoples Bank &amp; National Savings Bank with the issuing treasury bonds as follows,</p>   | <p>Government has directed to both SLA and MLL to prepare a business plan which will explore alternative avenues to be economically viable in the medium term. Accordingly,</p>  |

| Sector                      | Measures taken to Improve Performance of SOBEs  | Recommendations   |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |
|-----------------------------|---|---|---------------|-------------------------------|----------------|------------|----------|--------------|-----------|----------|-----------------------|-----------|----------|--------------|-------------------|-----------------|---|
|                             | <table> <tr> <th data-bbox="492 310 573 342">Banks</th><th data-bbox="638 310 719 384">No. of Shares</th><th data-bbox="816 310 930 468">Treasury bond issued<br/>Rs.mn</th></tr> <tr> <td data-bbox="492 489 621 562">Bank of Ceylon</td><td data-bbox="654 489 784 520">12,115,570</td><td data-bbox="833 489 946 520">3,732.37</td></tr> <tr> <td data-bbox="492 573 589 646">Peoples Bank</td><td data-bbox="654 573 784 604">4,236,135</td><td data-bbox="833 573 946 604">1,305.00</td></tr> <tr> <td data-bbox="492 657 589 783">National Savings Bank</td><td data-bbox="654 657 784 688">4,236,135</td><td data-bbox="833 657 946 688">1,305.00</td></tr> <tr> <td data-bbox="492 793 557 825"><b>Total</b></td><td data-bbox="638 793 784 825"><b>20,587,840</b></td><td data-bbox="833 793 946 825"><b>6,342.37</b></td></tr> </table> <p data-bbox="483 846 979 919">Accordingly, government ownership of SLA increased up to 99.11 percent.</p> <p data-bbox="483 951 979 1066">The government provided capital contribution of USD 125 million to SLA in the financial year 2014/15.</p> <p data-bbox="483 1140 979 1476">Treasury Issued two letters of comfort to Bank of Ceylon and Peoples' Bank amounting to USD 15 million each enabling SLA and MLL to arrange loan facilities to make payment to CPC the purchase of fuel and to meet its working capital requirement in the financial year 2014/15 .</p> | Banks   | No. of Shares | Treasury bond issued<br>Rs.mn | Bank of Ceylon | 12,115,570 | 3,732.37 | Peoples Bank | 4,236,135 | 1,305.00 | National Savings Bank | 4,236,135 | 1,305.00 | <b>Total</b> | <b>20,587,840</b> | <b>6,342.37</b> | <p data-bbox="1003 310 1433 384">both airlines to be restructured in 2016.</p> <p data-bbox="1003 415 1433 667">Government decided to take over all liabilities of SLA as at 31.12.2015 and instructed to source a suitable partner to successfully manage the operation of the business on the basis of a clean balance sheet.</p> |
| Banks                       | No. of Shares   | Treasury bond issued<br>Rs.mn   |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |
| Bank of Ceylon              | 12,115,570  | 3,732.37  |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |
| Peoples Bank                | 4,236,135   | 1,305.00  |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |
| National Savings Bank       | 4,236,135   | 1,305.00  |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |
| <b>Total</b>                | <b>20,587,840</b>   | <b>6,342.37</b>   |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |
| Mihin Lanka (Pvt) Ltd (MLL) | <p data-bbox="483 1560 979 1675">The government provided capital contribution of US\$ 25 million to MLL in 2014/15.</p>   | <p data-bbox="1003 1560 1433 1770">Having considered the lower financial and operational capacity, government has directed MLL to be positioned as a No frills budget airlines.</p> |               |                               |                |            |          |              |           |          |                       |           |          |              |                   |                 |   |

| Sector  | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|---|--|---|
| <p><b>Port Sector</b></p> <p>Sri Lanka Ports Authority (SLPA)</p> | <p>SLPA was able to complete the phase II of the Hambantota port development project during the year and further, land acquisition process is being implemented for the stage III of the project.</p> <p>The construction activities of East Container Terminal (ECT) have also been completed in the first half of the year 2015. Actions are now being taken by SLPA in consultation with the Treasury for the port sector development business model for a strategic Public Private Partnership to ECT operations with the assistance of ADB.</p> <p>The Colombo port being the premier port in the country could maintain monthly average of 350 ships arrivals and monthly average of more than 180,000 TEUs in 2015.</p> <p>Facilitated SLPA to obtain foreign funds up to Rs. 218 billion and local loans up to Rs.14.9 billion by the end of 2015 for port development projects.</p> <p>SLPA has identified the port of Galle as a priority project for the development of tourism activities in the southern coastal belt and it is expected by SLPA to invest on this area and actions will be taken to start a project in the first quarter of the year 2016.</p> <p>In the near future, a system of issuing Certificates of Competencies (COC) and</p> | <p>Since total loan liability of SLPA represents 69 percent of total assets of SLPA, it is recommended that they should take action for implementation of a prudent debt management system to ensure debt sustainability.</p> <p>SLPA should take prompt actions to increase the turnover by enhancing the productivity and efficiency of operational activities with improved infrastructure and other facilities, since it requires necessary funds to re-pay the loans already obtained including additional funds for adverse effect on foreign exchange.</p> |

| Sector                     | Measures taken to Improve Performance of SOBEs   | Recommendations  |
|----------------------------|--|--|
|                            | Seafarer Continuous Discharge Certificate (CDC) with bio-metric to comply with seafarer identity document is to be introduced by SLPA.   |  |
| <b>Construction Sector</b> | <p>Instructions have been issued to State Engineering Corporation (SEC), Central Engineering Consultancy Bureau (CECB) and State Development and Construction Corporation (SD &amp; CC) to submit reports within stipulated time period.</p> <p>Observations for Cabinet Memorandums have submitted regarding the budget allocations requested, to settle down the salary increase proposed by the Budget 2015 due to liquidity issues faced by SEC.</p> | <p>Actions should be taken to adopt new construction practices and processes while being competitive with the private sector.</p> <p>Contracts should be undertaken within the capacity limits of the institution.</p> <p>Highly skilled workforce who is capable of handling new large ventures should be recruited.</p> <p>Budgetary allocations for the projects should be confirmed before undertaking each project.</p> |
| <b>Banking Sector</b>      | <p>A dividend of Rs. 36 million was paid to the Treasury in the year 2015 by the state banks.</p> <p>Further, it has been proposed by the Budget Speech 2016 to merge several state banks to improve balance sheets, to get better ratings and access to wider markets both domestically overseas.</p> <p>Accordingly, the Ministry of Public Enterprises has initiated the merging process.</p>   | <p>SME centers of the Bank of Ceylon and People's Bank should reposition to cater the needs of the SME sector.</p> <p>Enhance technological capabilities to compete with the rivals of the industry.</p> <p>Exposure of the BOC, PB and NSB to government including SOEs accounts for 43 percent of total exposure.</p> <p>Improve credit quality and enhance recovery mechanisms.</p>                                       |



| Sector   | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|--|--|---|
|  |  | <p>Identify emerging growth sectors of the economy to direct credit towards those sectors.</p> <p>The Sri Lanka Savings Bank is highly dependent on investment income rather than earning from core banking business. 80 percent of the income comes from investments activities of which about 92 percent represents interest earned from fixed deposits in state banks.</p> <p>Underutilization of capital for core banking activities and poor asset management which has resulted in lower profitability.</p> |
| <p><b>Marketing &amp; Distribution</b></p> <p>Hotel Developers Lanka PLC (HDL)</p> | <p>HDL's revenue decreased to Rs. 2543 million in 2014/15 from Rs. 2,858 million in 2013/14.</p> <p>HDL recorded a profit before tax amounting to Rs. 275 million during 2014/2015 financial year.</p> <p>HDL has obtained a US\$ 27 million loan facility to finance the refurbishment of the hotel from the Bank of Ceylon and the Sampath Bank Ltd.</p> | <p>Formulate flexible pricing packages in order to attract both local and foreign tourists of each spending layer.</p>  |
| <p>Sri Lanka Handicraft Board (Laksala)</p>  | <p>Laksala has recorded 10 percent decrease in revenue in 2015 resulting the profit before tax to decrease by 40 percent to reach Rs. 15 million in 2015 over Rs. 9</p>  | <p>Implement strategies to set up outlets in areas popular for tourists to obtain maximum benefit from the expanding tourism industry.</p>  |

| Sector   | Measures taken to Improve Performance of SOBEs  | Recommendations   |
|--|---|---|
| Lanka Sathosa Limited (LSL)                            | <p>million in 2014.</p> <p>There is an enormous potential for the handicraft industry with the boosting tourism industry, targeting 2.5 million tourist arrivals by 2016 where huge market opportunities for local gifts and souvenir industry are to be created.</p>   | <p>Formulate proper strategic plan aligned to the institute being sustainable and increasing its market share.</p> <p>Take necessary measures to reduce building rentals.</p>   |
|  | <p>Even though, LSL was able to open 6 new outlets, sales revenue of LSL has decreased by 5 percent due to shortages in working capital of LSL.</p> <p>LSL has obtained bank loans of Rs. 14 billion for importing rice to avoid rice shortages in the local market in 2014 and about Rs.8.7 billion has remained unsettled by the end 2015.</p>  | <p>It is necessary that LSL should take corrective means to convert the company in to profitable entity. It is required that LSL need to enhance its corporate governance specially by recovering weakness of the procurement process of LSL.</p>   |
| Sri Lanka State Trading (General) Corporation Ltd(STC) | <p>Total revenue of STC in 2015/16 has come down drastically by 25 percent in comparison with the previous year. The postponement of Information Technology projects and Interior designed projects of public sector is the main reason for the revenue reduction.</p> <p>The STC would not be able to manage its operational cash flow without support of short term financing facilities. In turn, The finance cost in 2015/16 has increased significantly.</p> | <p>Adoption of new strategies for general products to penetrate the private sector enabling STC to reduce the business risk over the public sector market while identifying products which can be offered to niche markets.</p> <p>Develop strategies to promote its brand name in these markets.</p> |

| Sector                                 | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|--|--|---|
| State Printing Corporation (SPC)       | <p>SPC's revenue from core business has decreased by 2.5 percent mainly due to the reduction in school text books printings and 4 percent increase in total expenditure resulted by Government salary increase. Accordingly, the profit before tax has come down to Rs. 3 million in 2015 from Rs. 71 million in 2014. In 2015, SPC has maintained a material stocks which is taken to the production 4.5 months later (Stock Holding Period) and it requires about Rs.200 million of investment and it takes nearly 6 months to collect money from sales (Debtors Collection Period) that requires about Rs. 673 million, totaling of Rs. 873 million has been invested in working capital.</p> | <p>The corporation needs improvement in working capital management to reduce its finance cost and improve its profitability.</p> <p>SPC should maximize the utilization of its capacity and improve its market share by adopting strategies to be more cost efficient, to improve its profitability in the medium term.</p> |
| State Timber Corporation (STC)         | <p>STC was able to increase its revenue by 10 percent to Rs. 3,836 million in 2015 compared to Rs. 3,473 million in 2014. STC continued to be a profitable entity recording a profit of Rs. 390 million in 2015 which is a 90 percent increase compared to year 2014. A levy amounting to Rs.50 million has been paid to the Treasury during 2015.</p>   | <p>Take necessary measures to ensure the viability of the industry by focusing more on eco-friendly products to cater to niche market demands which in return offer higher profit margins.</p> <p>Build strategic partnerships for furniture manufacturing.</p>   |
| <b>Insurance Sector</b>                |  |   |
| Sri Lanka Insurance Corporation (SLIC) | <p>SLIC records total revenue amounting of Rs. 29,818 million was a slight 1.7 percent increase over Rs. 29,301 million in last year. The Gross Written Premium</p>  | <p>As the country is having low insurance penetration, with the vast potential to expand, the new business development strategies</p>   |

| Sector                                       | Measures taken to Improve Performance of SOBEs  | Recommendations  |
|--|---|--|
| National Insurance Trust Fund (NITF)         | for the year was Rs. 24,411 million which is 18 percent increase compared to Rs 20,665 million in previous year.  | needed to be implemented to capture the untapped markets.  |
|  | NITF During the year GWP decreased by 12.9 percent up to Rs. 5.08 billion compared to Rs. 5.84 billion in 2014. Total claims slightly increased by one percent up to Rs. 3.24 billion compared to Rs. 3.2 billion in 2014. The NITF has contributed Rs 3.0 billion to the Consolidated Fund as Levy during 2015.  | Better underwriting discipline through alternate forms of competition such as differentiated/flexible products.  |
| <b>Livestock Sector</b><br><br>MILCO(Pvt)Ltd | <p>Reduced the price of local milk powder by the budget 2016 and the loss suffered by MILCO is being reimbursed by the Treasury.</p> <p>MILCO was facilitated by the treasury to review the prices of their other Products competitively in the market to gain profits.</p> <p>Treasury facilitated two loans of EURO 33.8 million and 64 million. Of them, first loan (euro 34 million) is for renovate three factories at Ambewela, Digana and Polonnaruwa and two of them have already been completed. Ambewela farm is due to be completed by end of June 2016. Second loan is to relocate Narahenpita milk factory to Badalgama and its works have been commenced in May 2016.</p> | <p>Promote liquid milk consumption by encouraging market agents to better exploit currently untapped demand.</p> <p>Identify informal and traditional milk and dairy markets and introduce effective and appropriate market mechanisms, technologies to formalize the markets.</p> <p>Promote fresh milk consumption among General Public.</p> |

| Sector                                      | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|---|--|---|
| National Livestock Development Board (NLDB) | <p>Facilitated NLDB to obtain a new loan of US\$ 20 million and import another 2500 high yielding heifers. They have now been imported and located in Ridiyagama farm.</p> <p>With the location of new imported heifers milk production of NLDB gone up.</p>   | <p>Promote new NLDB dairy farms using the calves delivered by imported high yielding cows.</p>  |
| <b>Plantation Sector</b>                    | <p>Appointed a committee and formulated criterion to evaluate the performance of Regional Plantation Companies.</p> <p>Operational performance of the Janatha Estate Development Board continuously shows heavy losses: the latest report up to the end of 2015 revealed that all 17 estates did not make any profit before taxation but loss, which accounts Rs.113 million.</p> <p>Followed up remedial actions taken on matters highlighted by Auditor General and recommendations of COPE.</p> | <p>Expedite the restructuring process with the view to increase harvest and decrease the production cost.</p> <p>Instructions given to reorganize and restructure the whole system; the Ministry of Public Enterprises Development is in progress on this.</p> <p>Update technology to meet changing needs of the industry.</p> <p>Shift from raw material production towards value added products.</p> <p>Introduction of new innovative automated system for processing green tea leaves to improve the operational efficiency and the quality of the tea products.</p> <p>Provision of proper knowledge and training on value addition processes, in order to remain competitive among local and international tea producers.</p> <p>Expedite the replanting where necessary to increase productivity.</p> |

| Sector  | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|---|--|---|
| <b>Non Renewable Resources</b>                                | <p>Instructions have been issued to Lanka Mineral Sands Limited, Lanka Phosphate Limited and Kahatagaha Graphite Lanka Limited to submit reports within stipulated time period.</p> <p>Participated in Annual General Meetings and advised regarding the proper procedures in line with Good Governance of Public Enterprises.</p> | <p>Adapt to advanced technologies for the systematic exploitation of these resources with value addition processes.</p> <p>Significant level capital infusion is necessary to make a higher contribution to the economy through more value addition.</p> <p>Should be vigilant on poor stock management, weak sales and marketing programs and weak utilization of resources.</p> |
| <b>Health Sector</b><br>Sri Lanka Ayurvedic Drugs Corporation | <p>Initiatives were taken to monitor the issues to improve production of the corporation and hold several discussions on governance issues relating to financial, cadre issues and audit queries.</p>  | <p>Implement promotional campaigns on new herbal products and ayurvedic drugs to increase market demand including identified tourist focal points.</p> <p>Improvement of new land at Nawinna to enhance the production capacity.</p> <p>Store complex at corporation premises was further developed during the year 2015.</p>   |
| State Pharmaceutical Corporation                              | <p>Facilitated to provide instructions for the collective agreement of SPC.</p> <p>In expectation of smooth supplying of pharmaceuticals for hospital network, facilitated to borrowings from state banks of SPC.</p> <p>SPC recorded highest ever turnover Rs.24, 467 million during the year 2015.</p>                           | <p>Procure medicines in accordance with the requirements of the Department of Health Services.</p> <p>Improve procurement management, distribution and storage system to minimize liquidity constraints.</p> <p>Recovered the cost of revolving facility of SPC since 2015 and not depended on Treasury assistance</p>  |

| Sector  | Measures taken to Improve Performance of SOBEs   | Recommendations  |
|---|--|--|
| State Pharmaceutical Manufacturing Corporation (SPMC) | <p>It is an 11 percent increase compared to previous year.</p> <p>The SPC has developed their storage facility by constructing a new building at Ratmalana during the year by spending Rs.176 million.</p>   | <p>and expect the practice to be continued as same further.</p>  |
|   | <p>Granted the revolving facility to SPMC to facilitate continues supply of pharmaceuticals for the Department of Health services and the private sector.</p> <p>SPMC produced 1,095 million tablets and 327 million capsules and out of all production, 72 percent supplied to the department of Health Services in 2015.</p> <p>Preliminary steps were taken to construct new building to expand the services.</p> <p>SPMC has obtained a loan facility for the expansion work through JICA and expected output will be 3,500 million unit tablets and capsules after the project by 2017. Four new products have been introduced to the market.</p> | <p>Use advanced technologies to strengthen its manufacturing procedures and production capacity to meet the drug requirements of medical supplies division of Health Ministry, State Pharmaceuticals corporation and SPMC direct distributors.</p> |
| Sri Jayewardenepura General Hospital                  | <p>Held several discussions over the performance of hospital with chairman and relevant officials.</p> <p>Recommended recurrent and capital allocations for the hospital amounting Rs. 1,116 million during the year 2015.</p>   | <p>Implement promotional strategies to attract more customers for paying wards.</p> <p>Physical expansion and modernization of equipment in specialty unit.</p>  |

| Sector   | Measures taken to Improve Performance of SOBEs   | Recommendations   |
|--|--|---|
|  |  | Upgrade special wards to provide all medical support services and their pricing to incorporate higher profit margins.   |
| <b>Media</b><br>Sri Lanka Broadcasting Corporation     | <p>Granted allocation to upgrade the Karagathenna and Haputhale Transmission.</p> <p>Construction of new building complex had done with Treasury allocations.</p>  | Implementation of strategies such as program modifications and introduction of new programs to meet viewer needs, infrastructure and human resources developments to shift to advanced digital technology which enhances the quality of operations that enables competitive advantage.  |
| Sri Lanka Rupavahini Corporation                       | Directions were given to adopt strategies to improve the quality of programs while expanding coverage, with the aim of increasing its customer base to increase market share.  |   |
| <b>Fisheries</b><br>Ceylon Fisheries Corporation (CFC) | CFC recorded Rs. 187 million loss in 2015. End of 2014, CFC recruited 543 staff exceeding the approved carder of 745. Therefore, CFC is unable to maintain this extra staff cost. The Government has granted Rs. 69 million in 2015 to settle the waybill. 5 sale outlets were opened during the year. It is unable to make a significant influence on fish prices in the market as CFC accounts around 2 percent of the market share. | Initiatives are being taken to reduce the excess cadre. CFC has opportunity to expand its market share in the medium term and long term. Requested to prepare new strategic plan to improve sales revenues and also to be cost efficient. Recommended to prepare strategic plan to increase operational income. Further, it is expected to continue operation |



| Sector   | Measures taken to Improve Performance of SOBEs  | Recommendations  |
|--|---|--|
|  |   | profit from 2016 adopting proactive strategies to improve profitability of all its harbours.   |
| Ceylon Fisheries Harbours Corporation                  | Even though the Treasury granted Rs. 434 million, CFHC recorded a loss of Rs. 60 million during the year.   |  |
| <b>Lotteries</b><br><br>National Lotteries Board (NLB) | During the year 2015 NLB has achieved a turnover amounting to Rs. 16,661 million which is an increase of 14.9 percent compared to 2014. NLB recorded a profit amounting to Rs. 871 million in 2015 which is an increase of 699 percent compared to Rs. 109 million in 2014. NLB has contributed Rs. 2,183 million to the Consolidated Fund during the year. NLB has introduced a new lottery, "Neeroga" in June 2015 to meet the funding needs of National Kidney Fund. 10 percent out of the sales revenue of the lottery will be contributed to the fund. | Improve marketing strategies to generate more funds for development of health, agriculture and education sectors.<br><br>Adopt modern technology to capture new market segments/niche markets.<br><br>Introducing new lotteries for the niche markets. |
| Development Lotteries Board (DLB)                      | Development Lotteries Board (DLB) recorded revenue of Rs. 9,833 million during 2015 which is a decrease of 3 percent over 2014. DLB contributed Rs. 1,727 million to the President Fund which is a decline of 16 percent compared to the contribution made in 2014.   |  |

## 5. Staff Strength of the Department

Human Resources of Department of Public Enterprises were strengthened during the year 2014. The number of officers increased by 7 percent compared to the previous year. Total employees were 69 in 2014. Four of the job trainees of the Advanced Technology Institute were supervised. Physical resources were also enhanced by adding new equipment for the department.

### 5.1 Staff Officers' Profile 2015

|    | Name                        | Designation                 |
|----|-----------------------------|-----------------------------|
| 1  | Mr. R.Semasingha            | Director General            |
| 2  | Mr. H.H.Kasthuriarachchi    | Additional Director General |
| 3  | Mr. J.M.U.P.Jayamaha        | Additional Director General |
| 4  | Mr. P.H.A.S.Wijayarathne    | Additional Director General |
| 5  | Ms. Crishanthi Hapugoda     | Additional Director General |
| 6  | Mr. T.V.Weerasena           | Director                    |
| 7  | Mr. P.A.S.Athula Kumara     | Director                    |
| 8  | Mr. R.M.S.P.S.Bandara       | Director                    |
| 9  | Ms. M.C.N.Balasuriya        | Director                    |
| 10 | Mr. M.R.V.R.Meepura         | Director                    |
| 11 | Mr. H.A.N.S.Kumara          | Director                    |
| 12 | Mr. R.M.Wijesingha Banda    | Director                    |
| 13 | Mr. R.Rushandan             | Director                    |
| 14 | Ms. J.P.P.Liyanage          | Deputy Director             |
| 15 | Ms. K.V.C.Dilrukshi         | Assistant Director          |
| 16 | Ms. S.K.M.K.De.Alwis        | Assistant Director          |
| 17 | Ms. L.G.S.Dushyanthi        | Assistant Director          |
| 18 | Ms. S.M.Rajapaksha          | Assistant Director          |
| 19 | Mr. R.A.L.U.kumara          | Assistant Director          |
| 20 | Ms. G.M.I.U.Bandara         | Assistant Director          |
| 21 | Mr. K.S.M.De Silva          | Assistant Director          |
| 22 | Ms. D.G.N.Kumari            | Assistant Director          |
| 23 | Ms. W.K.D.Danstan           | Assistant Director          |
| 24 | Ms. A.R.Wicramasinghe       | Assistant Director          |
| 25 | Mr. Chathura Samarasingha   | Assistant Director          |
| 26 | Ms. H.C.M.Fonseka           | Assistant Director          |
| 27 | Ms. D.L.D.A.R.Jayasinghe    | Assistant Director          |
| 28 | Ms. A.Y.H.Anuruddha         | Assistant Director          |
| 29 | Ms. K.V.D.T.N.Wijegunarthna | Administrative Officer      |

Source: Department of Public Enterprises

## 5.2 Transfers During 2015

| Designation           | Number |          |
|-----------------------|--------|----------|
|                       | to PED | from PED |
| DG                    | 01     | -        |
| ADG                   | 01     | -        |
| Director              | 01     | -        |
| Deputy Director       | -      | -        |
| Assistant Director    | 01     | -        |
| AO                    | -      | -        |
| Development Assistant | 01     | 01       |
| Research Assistant    | 04     | 04       |
| Management Assistant  | 03     | 04       |
| Driver                | 02     | 02       |
| OES                   | 01     | 01       |

Source: Department of Public Enterprises

## 5.3 Cadre Profile 2015

| Designation                         | Approved Cadre | Existing Cadre | Vacant | Excess |
|-------------------------------------|----------------|----------------|--------|--------|
| Director General                    | 01             | 01             | -      | -      |
| Additional Director General         | 04             | 03             | 01     | -      |
| Director                            | 08             | 07             | 01     | -      |
| Deputy Director/ Assistant Director | 16             | 14             | 02     | -      |
| Development Assistant               | 11             | 05             | 06     | -      |
| Financial Analyst                   | 03             | 03             | -      | -      |
| Administrative Officer              | 01             | 01             | -      | -      |
| Management Assistant                | 21             | 17             | 04     | -      |
| Receptionist                        | 01             | 01             | -      | -      |
| Data Entry operator                 | 02             | -              | 02     | -      |
| Driver                              | 08             | 07             | 01     | -      |
| OES                                 | 06             | 10             | -      | 04     |
| Total                               | 82             | 69             | 17     | 05     |

Source: Department of Public Enterprises

## 5.4 Staff Training Provided during 2015

PED improved the skills of its staff through local and foreign training as follows during the year 2014.

### **Staff Training (Seminars/ Courses /Workshops)in the year 2015**

|         | <b>Title of the Training</b>   | <b>No. of Participants</b> | <b>Duration</b> |
|---------|--|----------------------------|-----------------|
| Local   | Lanka Accounting Standards (LKAS & SLFRS)  | 01- AD                     | 02 days         |
|         | Master of business (MBS) - 2015  | 01- AD                     | 01 Years        |
|         | MBA Program me ,University of Kelaniya   | 01 - FA                    | 01 Year         |
|         | ICT for Management Assistant & Parallel Grades   | 01- MA                     | 08 days         |
|         | The Secretary 2015 Workshop  | 01- RE.                    | 01 day          |
|         | Training on Sri Lanka Public Sector Accounting Standards (SLPSAS)                                  | 03- AD                     | 01 days         |
|         | Self Development and Emotional Intelligence for work – life balance                                | 01- MA                     | 01 day          |
|         | Computer Hardware  | 02- MA                     | 02 days         |
|         | CMA Global Management Accounting Summit  | 02- AD                     | 03 days         |
| Foreign | Strategic Thinking & Whole of Government Decision making (Malaysia)                                | 01 - D                     | 03 days         |
|         | Seminar on China's Economic and Social Development Experiences for Euro – Asian Countries ( China) | 01- D                      | 21 days         |
|         | Seminar on Bank and Monetary Management for Developing Countries (China)                           | 01- ADG                    | 21 days         |
|         | Workshop on Public Sector Accounting Kuala Lumpur ,Malaysia  | 01- AD                     | 02 days         |
|         | Seminar on Top level Design of old – age Insurance Reform (China)                                  | 02 -AD                     | 13 days         |
|         | Public Sector Accounting – Invitation to attend the 2015 Regional Workshop ( Malaysia)             | 01- AD                     | 02 days         |
|         | Seminar on Finance and Banking Management for Asia Countries (China)                               | 02- AD/01 DO               | 21 days         |
|         | Public Expenditure Management (India)  | 01- D                      | 21 days         |

Source: Department of Public Enterprises

DG - Director General  
D – Director  
DO – Development Officer  
MA – Management Assistant  
OES - Office Employer Service

ADG -Additional Director General  
AD -Assistant Director  
FA - Financial Analyst

## 6. Financial Management

The Budgetary allocation and actual expenditure of the Department of Public Enterprises for the year 2015 with comparative figures are as follows.

### 6.1 Budgetary Allocation and Actual Expenditure for year 2014 & 2015

|   | Actual Expenditure |                   | Net Budgetary Provisions |                   |
|---|--------------------|-------------------|--------------------------|-------------------|
|   | 2014               | 2015              | 2014                     | 2015              |
| <b>Rs '000</b>                          |                    |                   |                          |                   |
| <b>Recurrent</b>                        |                    |                   |                          |                   |
| Personal Emolument                      | 37,921             | 46,745            | 38,357                   | 47,255            |
| Other Recurrent                         | 18,328             | 16,001            | 19,190                   | 17,350            |
| <b>Total</b>                            | <b>56,249</b>      | <b>62,746</b>     | <b>57,547</b>            | <b>64,605</b>     |
| <b>Capital</b>                          |                    |                   |                          |                   |
| <b>Rehabilitation &amp; Improvement</b> |                    |                   |                          |                   |
| 2001 Building & Structure               | 1,370              | 369               | 3,000                    | 500               |
| <b>Acquisition</b>                      |                    |                   |                          |                   |
| 2102 Furniture & Office Equipment       | 2,941              | 1,691             | 3,000                    | 2,800             |
| 2103 Plant, Machinery & Equipment       | -                  | 0                 | 50                       | 300               |
| <b>Other Capital Expenditure</b>        |                    |                   |                          |                   |
| Equity Contributions                    | 11,342,370         | 89,387,109        | 11,342,870               | 94,400,000        |
| <b>Capacity Building</b>                |                    |                   |                          |                   |
| 2401 Training & Capacity Building       | 1,086              | 1,756             | 1,200                    | 2,000             |
| <b>Total</b>                            | <b>11,347,767</b>  | <b>89,390,925</b> | <b>11,350,370</b>        | <b>94,405,400</b> |

Source: Department of Public Enterprises

### 6.2 Public Officers' Advance Account – 2015

|                                | Limits<br>Authorized | Actual<br>31.12.2014 |
|--------------------------------|----------------------|----------------------|
| Maximum Limit of Expenditure   | 4,325,000.00         | 2,071,932.00         |
| Minimum Limit of Receipts      | 2,125,000.00         | 3,020,019.82         |
| Maximum Limit of Debit Balance | 19,000,000.00        | 11,514,651.38        |

Source: Department of Public Enterprises

The Annual Appropriation Account and the Annual Reconciliation Statement in respect of Advances to Public Officer's Accounts for the year 2015 have been submitted to the Auditor General.

## Annex I: Submission of Annual Reports – State Owned Business Enterprises

|  | 2011 | 2012 | 2013 | 2014 |
|--|------|------|------|------|
| 1 Bank of Ceylon                                       | √    | √    | √    | √    |
| 2 People's Bank  | √    | √    | √    | √    |
| 3 National Savings Bank (NSB)                          | √    | √    | √    | √    |
| 4 State Mortgage & Investment Bank (SMIB)              | √    | √    | √    | √    |
| 5 HDFC Bank (HDFC)                                     | √    | √    | √    | X    |
| 6 Lankaputhra Development Bank Ltd                     | √    | √    | X    | X    |
| 7 PradeshiyaSanwardhana Bank (RDB)                     | √    | √    | √    | X    |
| 8 Sri Lanka Savings Bank Ltd                           | √    | √    | X    | X    |
| 9 Employee's Trust Fund Board                          | √    | √    | √    | X    |
| 10 Sri Lanka Insurance Corporation                     | √    | √    | √    | √    |
| 11 National Insurance Trust Fund                       | √    | √    | √    | X    |
| 12 Ceylon Electricity Board                            | √    | √    | √    | X    |
| 13 Ceylon Petroleum Corporation                        | √    | √    | √    | X    |
| 14 Sri Lanka Ports Authority                           | √    | √    | X    | X    |
| 15 National Water Supply and Drainage Board            | √    | √    | √    | X    |
| 16 Airport and Aviation Services (SL )Ltd              | √    | √    | √    | X    |
| 17 Sri Lankan Airlines Ltd                             | √    | √    | √    | X    |
| 18 Mihin Lanka (Pvt) Ltd                               | √    | X    | X    | X    |
| 19 Sri Lanka Transport Board                           | X    | X    | X    | X    |
| 20 State Engineering Corporation of Sri Lanka          | √    | X    | X    | X    |
| 21 Central Engineering Consultancy Bureau              | √    | X    | X    | X    |
| 22 State Development and Construction Corporation      | √    | X    | X    | X    |
| 23 Milco Ltd   | √    | √    | √    | X    |
| 24 National Livestock Development Board                | √    | √    | √    | X    |
| 25 Ceylon Fisheries Corporation                        | √    | √    | X    | X    |
| 26 Ceylon Fishery Harbour Corporation                  | √    | √    | X    | X    |
| 27 State Pharmaceuticals and Manufacturing Corporation | √    | √    | √    | X    |
| 28 SL Ayurvedic Drugs Corporation                      | √    | √    | X    | X    |
| 29 State Pharmaceuticals Corporation                   | √    | √    | √    | X    |
| 30 Sri Jayawardenapura General hospital                | √    | √    | √    | X    |
| 31 Independent Television Network Ltd                  | √    | √    | √    | X    |
| 32 SL Rupavahini Corporation                           | √    | X    | X    | X    |
| 33 Sri Lanka Broadcasting Corporation                  | √    | X    | X    | X    |
| 34 Ceylon Fertilizer Company Ltd                       | √    | √    | √    | √    |
| 35 Colombo Commercial Fertilizer Company Ltd           | √    | √    | √    | √    |
| 36 State Timber Corporation                            | √    | √    | √    | X    |
| 37 STC General Trading Company                         | √    | √    | X    | X    |
| 38 Hotel Developers Lanka PLC                          | √    | √    | √    | √    |
| 39 Lanka Sugar Company Ltd                             | -    | -    | √    | X    |
| 40 Lanka Sathosa Ltd                                   | X    | X    | X    | X    |
| 41 Development Lotteries Board                         | √    | √    | √    | X    |
| 42 National Lotteries Board                            | √    | √    | X    | X    |
| 43 Lanka Mineral Sands Ltd                             | √    | √    | √    | X    |
| 44 Lanka Phosphate Ltd                                 | √    | √    | √    | X    |
| 45 State Printing Corporation                          | √    | √    | X    | X    |
| 46 Sri Lanka Export Credit Insurance Corporation       | √    | √    | X    | X    |
| 47 Agriculture and Agrarian Insurance Board            | √    | √    | X    | X    |

|    |   | 2011 | 2012 | 2013 | 2014 |
|----|---|------|------|------|------|
| 48 | Sri Lanka State Plantations Corporation | X    | X    | X    | X    |
| 49 | Kurunegala Plantations Ltd              | √    | √    | √    | √    |
| 50 | Janatha Estates Development Board       | X    | X    | X    | X    |
| 51 | Chilaw Plantations Ltd                  | √    | √    | √    | √    |
| 52 | Kalubovitiyana Tea Factory Ltd          | √    | √    | X    | X    |
| 53 | Sri Lanka Cashew Corporation            | √    | √    | √    | X    |
| 54 | Sri Lanka Handicraft Board              | √    | √    | X    | X    |
| 55 | Kahatagaha Graphite Lanka Ltd           | √    | √    | √    | X    |

Sources: SOBEs and Department of public Enterprises

## Annex II: Levy/Dividend Income from SOEs

(Rs. Million)

|   | 2010          | 2011          | 2012          | 2013          | 2014          | 2015          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Levy</b>                                     | <b>24,434</b> | <b>20,189</b> | <b>32,774</b> | <b>20,960</b> | <b>29,697</b> | <b>18,178</b> |
| National Savings Bank                           | 2,312         | 4,560         | 8,260         | 5,060         | 4,060         | 2,860         |
| Telecommunication Regulatory Commission         | 13,800        | 9,050         | 7,200         | 10,100        | 10,000        | 10,000        |
| Ceylon Petroleum Corporation                    | -             | -             | -             | -             | 10,000        | -             |
| State Mortgage & Investments Bank               | -             | -             | 25            | 40            | 10            | 10            |
| Regional Development Bank                       | 55            | -             | 500           | 500           | -             | 87            |
| State Timber Corporation                        | 10            | 75            | 50            | 50            | 25            | 50            |
| State Pharmaceuticals Manufacturing Corporation | 85            | 59            | 20            | 20            | 25            | 30            |
| National Insurance Trust Fund                   | 2,000         | 3,495         | 4,200         | 3,200         | 4,000         | 3,000         |
| Geological Survey and Mines Bureau              | -             | 740           | 750           | 700           | 650           | 850           |
| National Gem and Jewelry Authority              | -             | -             | -             | 100           | -             | 75            |
| Ceylon Electricity Board                        | -             | 2,000         | -             | -             | -             | -             |
| Board of Investment                             | -             | 210           | 200           | -             | 100           | 141           |
| National Lotteries Board                        | -             | -             | 502           | 500           | -             | 50            |
| Sri Lanka Tourism Promotion Bureau              | -             | -             | -             | -             | 500           | 500           |
| Securities and Exchange Commission              | -             | -             | -             | 94            | -             | -             |
| Insurance Board of Sri Lanka                    | -             | -             | -             | 300           | -             | -             |
| State Institutions Temporary Surplus Trust Fund | 6,110         | -             | 10,700        | -             | -             | -             |
| Civil Aviation Authority                        | -             | -             | 350           | 200           | 250           | 400           |
| State Pharmaceutical Corporation                | -             | -             | -             | 50            | 75            | 100           |
| Other*  | 62            | -             | 17            | 46            | 2             | 25            |
| <b>Dividends</b>                                | <b>6,867</b>  | <b>14,162</b> | <b>13,987</b> | <b>14,208</b> | <b>17,116</b> | <b>11,618</b> |
| Bank of Ceylon                                  | 2,923         | 4,020         | 5,346         | 5,346         | 6,846         | 5,346         |
| People's Bank                                   | 3,253         | 4,500         | 4,658         | 4,816         | 6,316         | 3,316         |
| Sri Lanka Telecom PLC                           | 223           | 536           | 759           | 760           | 759           | 795           |
| De La Rue Lanka Ltd                             | -             | 68            | 42            | 43            | 49            | 61            |
| Lanka Mineral Sands Ltd                         | 35            | 500           | 1,700         | -             | 43            | 14            |
| Lanka Industrial Estates Ltd                    | 31            | 31            | 47            | 54            | 55            | 55            |
| Airport and Aviation Services Ltd               | -             | 2,406         | -             | 500           | 500           | 497           |
| Lanka Electricity Company Ltd                   | 300           | -             | 75            | 75            | 25            | 87            |
| Plantation Companies**                          | -             | 219           | 179           | 139           | 92            | 62            |
| Sri Lanka Insurance Corporation Ltd             | -             | 1,750         | 1,001         | 2,199         | 2,001         | 1,003         |
| Lankaputhra Development Bank                    | -             | 6             | 18            | 36            | 36            | 36            |
| Lanka Phosphate Ltd                             | 10            | 20            | 40            | 25            | 35            | 30            |
| Independence Television Network Ltd             | -             | 49            | 88            | 50            | 125           | 84            |
| RaknaArakshaka Lanka Ltd                        | -             | -             | 10            | 17            | 68            | 93            |
| Ceylon Fertilizer Ltd                           | -             | 12            | 4             | 9             | 38            | 54            |
| Lanka Leyland Ltd                               | -             | 35            | 5             | 97            | 11            | -             |
| Other *   | 92            | 10            | 15            | 42            | 117           | 85            |
| <b>Total</b>                                    | <b>31,301</b> | <b>34,351</b> | <b>46,761</b> | <b>35,168</b> | <b>46,813</b> | <b>29,796</b> |

Sources: Department of Treasury Operations and Department of Public Enterprises

\* includes Skills Development Fund, Ceylon Agro Industries, Asian Reinsurance Corporation, Hunnas falls Ltd, Carsons Management Ltd, Lanka Canneries Ltd, United Motors Lanka Ltd, Bogala Graphite Lanka Ltd, Autogrill Lanka Ltd, Sri Lanka Export Credit Insurance Board, National Livestock and Development Board, Sri Lanka Rupavahini Corporation, Sri Lanka Convention Bureau, National Development Bank, Colombo Commercial Fertilizer Ltd, Paranthan Chemicals Company Ltd, Ceylon Shipping Corporation Ltd, Kahatagaha Graphite Lanka Ltd, Sri Lanka Standards Institution, Central Engineering Consultancy Bureau, Lanka Sugar Company Ltd, Mantai Salt Ltd.

\*\*includes Chilaw, Kalubowitiyana, Elkaduwa, Kurunegala, Namunuluka, Kegalle, Agalawatte, Kotagala, Balangoda, Watawala, Horana, Elpitiya and Pussellawa Plantations



### Annex III: Budget Support to SOEs under the Purview of PED

Rs. Million

|              | Institute  | 2014          |                | 2015          |               |
|--------------|--|---------------|----------------|---------------|---------------|
|              |  | Recurrent     | Capital        | Recurrent     | Capital       |
| 1            | Agriculture and Agrarian Insurance Board                   | 144           | 1,003          | 2,276         | 4             |
| 2            | Ceylon Electricity Board                                   | -             | 23,537         | -             | 11,527        |
| 3            | Ceylon Petroleum Corporation                               | -             | 30,690         | -             | 24,987        |
| 4            | National Water Supply and Drainage Board                   | -             | 7,949          |               | 39,804        |
| 5            | Airport And Aviation Services( Sri Lanka) Ltd              | -             | 19,588         |               |               |
| 6            | Sri Lankan Airlines Ltd                                    | -             | 19,585         |               |               |
| 7            | Mihin Lanka Ltd  | -             | 6,528          |               |               |
| 8            | Sri Lanka Transport Board                                  | 7,175         | 1,502          | 11,419        | 2,301         |
| 9            | State Engineering Corporation of Sri Lanka                 |               |                | 250           | -             |
| 10           | Sri Lanka State Plantations Corporation                    | 49            | 435            |               |               |
| 11           | Janatha Estates Development Board                          | 189           | 65             |               |               |
| 12           | Elkaduwa Plantations Ltd                                   | -             | -              |               |               |
| 13           | Sri Lanka Cashew Corporation                               | 50            | 44             | 66            | 35            |
| 14           | Sri Jayawardenapura General hospital                       | 1,700         | 300            | 920           | 266           |
| 15           | Sri Lanka Rupavahini Corporation                           | -             | -              |               |               |
| 16           | Sri Lanka Broadcasting Corporation                         | 195           | 150            | 350           | 230           |
| 17           | Sri Lanka Handicrafts Board                                | -             | -              |               |               |
| 18           | Ceylon Fisheries Corporation                               | 119           | 208            | 104           |               |
| 19           | Ceylon Fishery Harbour Corporation                         | 213           | 100            | 395           | 110           |
| 20           | Lakdiva Engineering Co. Ltd                                | 21            | 27             |               |               |
| 21           | Ceylon Fertilizer Company Ltd                              |               |                |               |               |
| 22           | Condominium Management Authority                           | 10            | 106            |               |               |
| 23           | Sri Lanka Accounting & Auditing Standards Monitoring Board | -             | -              |               |               |
| 24           | Palmyrah Development Board                                 | 72            | 34             |               |               |
| 25           | Paddy Marketing Board                                      | 67            | 175            |               |               |
| 26           | Sri Lanka Land Reclamation and Dev. Corp.                  | -             | 2,100          |               |               |
| 27           | Sri Lanka Tea Board  | 132           | 50             |               |               |
| 28           | Sri Lanka Tourism Development Authority                    | -             | -              |               |               |
| 29           | Urban Development Authority (UDA)                          | -             | -              |               |               |
| 30           | Sri Lanka Tourism Development Bureau                       | -             | -              |               |               |
| 31           | Coconut Cultivation Board                                  | 301           | 499            |               |               |
| 32           | Coconut Development Authority                              | 97            | 103            |               |               |
| 33           | Export Development Board                                   | 266           | 300            |               |               |
| 34           | Industrial Development Board                               | 250           | 35             |               |               |
| 35           | National Film Corporation                                  | 75            | 50             |               |               |
| 36           | Polipto Lanka Ltd  | -             | 50             |               |               |
| 37           | Lanka Salusala Ltd   | 35            | -              |               |               |
| 38           | State Resources management corporation                     | 11            | -              |               |               |
| 39           | National paper company Ltd                                 | 8             | -              |               |               |
| <b>Total</b> |  | <b>11,179</b> | <b>115,213</b> | <b>15,780</b> | <b>79,264</b> |

Source: Department of Public Enterprises

## Annex IV: Financial Outturn for 55 SOBEs as at 31/12/2015

|  | Revenue        |                | Profit/(Loss) Before Tax |                 | Total Assets     |                  | Total Liabilities |                  | Debt to Banks  |                |
|--|----------------|----------------|--------------------------|-----------------|------------------|------------------|-------------------|------------------|----------------|----------------|
|  | 2014           | 2015           | 2014                     | 2015            | 2014             | 2015             | 2014              | 2015             | 2014           | 2015           |
| <b>Banking &amp; Finance</b>                   | <b>340,526</b> | <b>358,340</b> | <b>68,649</b>            | <b>80,086</b>   | <b>3,501,906</b> | <b>3,968,951</b> | <b>3,150,660</b>  | <b>3,559,372</b> | -              | -              |
| 1. Bank of Ceylon                              | 127,141        | 132,349        | 20,777                   | 25,109          | 1,323,554        | 1,561,321        | 1,254,934         | 1,477,353        | -              | -              |
| 2. Peoples Bank                                | 95,519         | 104,011        | 17,200                   | 19,497          | 1,026,000        | 1,137,634        | 984,511           | 1,088,459        | -              | -              |
| 3. National Savings Bank                       | 77,890         | 79,282         | 10,472                   | 13,034          | 779,466          | 847,079          | 756,206           | 815,655          | -              | -              |
| 4.SMIB   | 3,742          | 4,014          | 411                      | 731             | 29,228           | 34,269           | 25,902            | 29,991           | -              | -              |
| 5.HDFC   | 4,585          | 4,915          | 818                      | 972             | 34,999           | 41,417           | 32,023            | 38,045           | -              | -              |
| 6. Lankaputhra Dev. Bank                       | 612            | 657            | 193                      | 204             | 7,982            | 8,440            | 3,502             | 3,714            | -              | -              |
| 7. RDB   | 11,429         | 12,510         | 1,268                    | 2,112           | 92,873           | 107,524          | 87,481            | 101,203          | -              | -              |
| 8. Sri Lanka Savings Bank                      | 775            | 725            | 236                      | 332             | 8,738            | 8,787            | 5,701             | 4,353            | -              | -              |
| 9. Employment Trust Fund Board                 | 18,833         | 19,877         | 17,274                   | 18,095          | 199,066          | 222,480          | 400               | 599              | -              | -              |
| <b>Insurance</b>                               | <b>38,180</b>  | <b>41,903</b>  | <b>7,434</b>             | <b>7,434</b>    | <b>175,660</b>   | <b>185,830</b>   | <b>168,550</b>    | <b>166,856</b>   | <b>388</b>     | <b>-</b>       |
| 10. SLIC                                       | 29,301         | 29,818         | 4,511                    | 3,017           | 161,693          | 168,185          | 97,976            | 101,658          | 388            | -              |
| 11. NITF                                       | 8,350          | 8,190          | 4,674                    | 4,449           | 10,302           | 12,503           | 10,302            | -                | -              | -              |
| 12. SLECIC                                     | 311            | 245            | 190                      | 224             | 1,882            | 2,171            | 124               | 192              | -              | -              |
| 13. Agricultural & Agrarian Insurance Board    | 218            | 3,650          | -1,941                   | (256)           | 1,783            | 2,971            | 60,148            | 65,006           | -              | -              |
| <b>Energy</b>                                  | <b>733,876</b> | <b>575,097</b> | <b>-11,670</b>           | <b>2,336</b>    | <b>954,686</b>   | <b>981,514</b>   | <b>815,775</b>    | <b>651,396</b>   | <b>302,579</b> | <b>310,059</b> |
| 14. CEB  | 208,694        | 198,363        | -13,303                  | 20,720          | 773,459          | 782,320          | 404,239           | 227,001          | 54,791         | 41,614         |
| 15. Ceylon Petroleum Corporation               | 525,182        | 376,734        | 1,633                    | (18,384)        | 181,227          | 199,194          | 411,536           | 424,395          | 247,788        | 268,445        |
| <b>Ports</b>                                   | <b>42,617</b>  | <b>41,437</b>  | <b>7,950</b>             | <b>(9,575)</b>  | <b>335,786</b>   | <b>337,267</b>   | <b>247,345</b>    | <b>263,464</b>   | <b>11,968</b>  | <b>233,189</b> |
| 16. Sri Lanka Ports Authority                  | 42,617         | 41,437         | 7,950                    | (9,575)         | 335,786          | 337,267          | 247,345           | 263,464          | 11,968         | 233,189        |
| <b>Water</b>                                   | <b>18,710</b>  | <b>19,584</b>  | <b>1,432</b>             | <b>1,030</b>    | <b>282,824</b>   | <b>332,111</b>   | <b>53,296</b>     | <b>23,400</b>    | <b>-</b>       | <b>9,412</b>   |
| 17. NWS&DB                                     | 18,710         | 19,584         | 1,432                    | 1,030           | 282,824          | 332,111          | 53,296            | 23,400           | -              | 9,412          |
| <b>Aviation</b>                                | <b>154,639</b> | <b>161,348</b> | <b>-13,330</b>           | <b>(15,191)</b> | <b>134,070</b>   | <b>126,028</b>   | <b>197,800</b>    | <b>198,357</b>   | <b>112,466</b> | <b>84,481</b>  |
| 18. AASL                                       | 13,820         | 16,220         | 4,038                    | 2,725           | 58,808           | 64,286           | 47,616            | 53,048           | 35,787         | 37,730         |
| 19. Sri Lankan Airlines Ltd                    | 130,690        | 134,560        | -16,181                  | (16,433)        | 71,332           | 54,039           | 144,734           | 135,145          | 76,515         | 43,356         |
| 20. Mihini Lanka Ltd                           | 10,129         | 10,568         | -1,187                   | (1,483)         | 3,930            | 7,703            | 5,450             | 10,164           | 164            | 3,395          |
| <b>Commuter Transport</b>                      | <b>26,121</b>  | <b>34,447</b>  | <b>-9,407</b>            | <b>(4,038)</b>  | <b>24,518</b>    | <b>26,997</b>    | <b>8,476</b>      | <b>-</b>         | <b>745</b>     | <b>250</b>     |
| 21. Sri Lanka Transport Board                  | 26,121         | 34,447         | -9,407                   | (4,038)         | 24,518           | 26,997           | 8,476             | -                | 745            | 250            |
| <b>Construction</b>                            | <b>20,050</b>  | <b>17,160</b>  | <b>597</b>               | <b>14</b>       | <b>42,081</b>    | <b>40,908</b>    | <b>28,270</b>     | <b>15,095</b>    | <b>21</b>      | <b>766</b>     |
| 22. State Engineering Corporation of Sri Lanka | 6,353          | 3,852          | 81                       | (586)           | 19,955           | 19,459           | 11,306            | -                | -              | 100            |

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|  | Revenue       |               | Profit/(Loss) Before Tax |                | Total Assets   |                | Total Liabilities |               | Debt to Banks |               |
|--|---------------|---------------|--------------------------|----------------|----------------|----------------|-------------------|---------------|---------------|---------------|
|  | 2014          | 2015          | 2014                     | 2015           | 2014           | 2015           | 2014              | 2015          | 2014          | 2015          |
| 23. CECB   | 10,207        | 10,768        | 426                      | 520            | 17,880         | 17,173         | 13,762            | 12,516        | -             | -             |
| 24. State Development and Construction Corporation | 3,490         | 2,540         | 90                       | 80             | 4,246          | 4,276          | 3,202             | 2,579         | 21            | 666           |
| <b>Livestock</b>                                   | <b>9,877</b>  | <b>9,592</b>  | <b>272</b>               | <b>(211)</b>   | <b>8,402</b>   | <b>10,999</b>  | <b>5,607</b>      | <b>7,949</b>  | <b>3,026</b>  | <b>5,420</b>  |
| 25. Milco Ltd                                      | 8,088         | 7,715         | 185                      | (250)          | 4,534          | 4,298          | 2,936             | 2,453         | 1,354         | 861           |
| 26. NLDB   | 1,789         | 1,877         | 87                       | 39             | 3,868          | 6,701          | 2,671             | 5,496         | 1,672         | 4,559         |
| <b>Plantation</b>                                  | <b>3,334</b>  | <b>2,820</b>  | <b>32</b>                | <b>(302)</b>   | <b>8,416</b>   | <b>13,030</b>  | <b>4,614</b>      | <b>5,095</b>  | <b>-</b>      | <b>8</b>      |
| 27. SLSPC  | 590           | 472           | -69                      | (168)          | 1,275          | 6,315          | 1,275             | 1,209         | 24            | 8             |
| 28. JEDB   | 893           | 553           | -237                     | (401)          | 3,364          | 2,818          | 2,434             | 3,184         | 34            | -             |
| 29. Kurunegala Plantations Ltd                     | 577           | 492           | 227                      | 147            | 1,794          | 1,898          | 342               | 339           | -             | -             |
| 30. Chilaw Plantations Ltd                         | 380           | 477           | 85                       | 86             | 1,146          | 1,111          | 292               | 288           | -             | -             |
| 31. Kalubovitiyana Tea Factory Ltd                 | 779           | 751           | 24                       | 17             | 553            | 615            | 208               | -             | -             | -             |
| 32. Sri Lanka Cashew Corporation                   | 115           | 75            | 2                        | 17             | 284            | 273            | 63                | 74            | -             | -             |
| <b>Non Renewable Resources</b>                     | <b>1,664</b>  | <b>2,325</b>  | <b>257</b>               | <b>580</b>     | <b>3,987</b>   | <b>4,018</b>   | <b>595</b>        | <b>930</b>    | <b>73</b>     | <b>-</b>      |
| 33. Lanka Mineral Sands Ltd                        | 931           | 1,823         | 61                       | 509            | 2,689          | 2,779          | 464               | 465           | 73            | -             |
| 34. Lanka Phosphate Ltd *                          | 627           | 427           | 179                      | 59             | 813            | 864            | 75                | 90            | -             | -             |
| 35. Kahatagaha Graphite Lanka Ltd *                | 106           | 75            | 17                       | 12             | 485            | 375            | 56                | 375           | -             | -             |
| <b>Lotteries</b>                                   | <b>25,781</b> | <b>26,494</b> | <b>2,454</b>             | <b>3,261</b>   | <b>6,655</b>   | <b>5,177</b>   | <b>4,476</b>      | <b>1,012</b>  | <b>-</b>      | <b>-</b>      |
| 36. Development Lotteries Board                    | 10,539        | 9,833         | 2,345                    | 2,390          | 1,929          | 1,950          | 827               | 1,012         | -             | -             |
| 37. National Lotteries Board                       | 15,242        | 16,661        | 109                      | 871            | 4,726          | 3,227          | 3,649             | -             | -             | -             |
| <b>Health</b>                                      | <b>27,192</b> | <b>29,520</b> | <b>1,520</b>             | <b>1,443</b>   | <b>11,454</b>  | <b>14,982</b>  | <b>12,772</b>     | <b>5,581</b>  | <b>227</b>    | <b>534</b>    |
| 38. SPMC   | 1,712         | 2,111         | 270                      | 414            | 2,395          | 2,701          | 307               | 402           | 175           | -             |
| 39. SL Ayurvedic Drugs Corporation                 | 452           | 527           | 47                       | 49             | 730            | 961            | 8,747             | 296           | 52            | 534           |
| 40. SPC  | 22,047        | 24,467        | 654                      | 1,230          | 7,263          | 9,184          | 2,868             | 4,036         | -             | -             |
| 41. Sri Jayawardenapura General hospital           | 2,981         | 2,415         | 549                      | (250)          | 1,066          | 2,136          | 850               | 847           | -             | -             |
| <b>Media</b>                                       | <b>5,535</b>  | <b>5,694</b>  | <b>333</b>               | <b>164</b>     | <b>9,668</b>   | <b>8,782</b>   | <b>4,633</b>      | <b>4,568</b>  | <b>135</b>    | <b>188</b>    |
| 42. Independence Television Network Ltd            | 2,453         | 2,589         | 566                      | 477            | 4,232          | 3,563          | 869               | 717           | -             | -             |
| 43. SL Rupavahini Corporation                      | 1,997         | 2,147         | -182                     | (375)          | 2,235          | 1,985          | 648               | 765           | 135           | 188           |
| 44. Sri Lanka Broadcasting Corporation             | 1,085         | 958           | -51                      | 62             | 3,201          | 3,234          | 3,116             | 3,086         | -             | -             |
| <b>Marketing &amp; Distribution</b>                | <b>56,311</b> | <b>53,323</b> | <b>1,830</b>             | <b>(2,769)</b> | <b>103,421</b> | <b>108,877</b> | <b>71,544</b>     | <b>71,860</b> | <b>39,608</b> | <b>13,799</b> |
| 45. Sri Lanka Handicraft Board                     | 873           | 836           | 21                       | 9              | 1,773          | 1,910          | 1,200             | 1,850         | 701           | 581           |

|   | Revenue          |                  | Profit/(Loss) Before Tax |               | Total Assets     |                  | Total Liabilities |                  | Debt to Banks  |                |
|---|------------------|------------------|--------------------------|---------------|------------------|------------------|-------------------|------------------|----------------|----------------|
|   | 2014             | 2015             | 2014                     | 2015          | 2014             | 2015             | 2014              | 2015             | 2014           | 2015           |
| 46. State Timber Corporation                  | 3,756            | 3,836            | 425                      | 795           | 4,872            | 5,872            | 2,075             | 1,898            | -              | -              |
| 47. STC General Trading Company Ltd           | 4,120            | 2,159            | 46                       | 19            | 2,527            | 2,519            | 1,940             | 1,803            | 851            | -              |
| 48. Lanka Sathosa Ltd                         | 30,424           | 28,921           | 364                      | (3,647)       | 8,718            | 8,718            | 6,388             | -                | 7,468          | -              |
| 49. State Printing Corporation                | 1,344            | 1,329            | 71                       | 3             | 1,429            | 1,334            | 902               | 992              | 492            | -              |
| 50. Ceylon Fisheries Corporation              | 1,903            | 1,933            | -56                      | (187)         | 1,820            | 2,107            | 1,200             | 951              | 97             | -              |
| 51. Ceylon Fishery Harbours Corporation       | 730              | 910              | 20                       | (60)          | 4,968            | 11,405           | 1,429             | 4,224            | -              | -              |
| 52. Ceylon Fertilizer Company Ltd             | 3,460            | 3,978            | 288                      | 411           | 36,267           | 44,550           | 32,427            | 40,344           | 20,651         | -              |
| 53. Colombo Commercial Fertilizer Company Ltd | 1,625            | 1,566            | 366                      | 436           | 15,820           | 18,752           | 14,451            | 17,116           | 9,300          | 12,483         |
| 54. Hotel Developers Lanka PLC                | 2,537            | 2,929            | 316                      | 433           | 14,895           | 5,038            | 1,457             | -                | -              | -              |
| 55. Lanka Sugar Company (Pvt) Ltd             | 5,539            | 4,926            | -31                      | (981)         | 10,332           | 6,672            | 8,075             | 2,682            | 48             | 736            |
| <b>Grand Total</b>                            | <b>1,504,413</b> | <b>1,379,084</b> | <b>58,353</b>            | <b>64,262</b> | <b>5,603,534</b> | <b>6,165,470</b> | <b>4,774,413</b>  | <b>4,974,934</b> | <b>471,294</b> | <b>658,107</b> |