



**PERFORMANCE REPORT**

**2016**

**Department of Public Enterprises**

**(PED)**

**Ministry of Finance and Mass Media**

# **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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# 1. Performance of the Department of Public Enterprises

## 1.1 Overview

With the purpose of ensuring the good governance of State Owned Enterprises (SOEs) the Department of Public Enterprises (PED) was re-established on an approval granted by the Cabinet of Ministers on 10.07.2002, under the “Administer Part II” of the Finance Act No 38 of 1971, as an apex body of the government. The PED is devoted to strengthen governance in SOEs through best practices to optimize performance and to safeguard the public interest by monitoring, guiding and directing of the SOEs to achieve expected targets and outcomes.

Nearly, four hundred SOEs inclusive of subsidiaries operating in the country, SOEs can be broadly categorised into two types of entities as commercial oriented and non-commercial oriented SOEs (NCSOEs). Out of those large number of SOEs, fifty five SOEs (55) have been identified as strategically important State Owned Businesses Enterprises (SOBEs) based on importance to the national economy, volume of operations, number of employees etc. In the Treasury, the Department of Public Enterprises monitors 152 SOE’s including 55 SOBEs and subsidiaries. While 136 SOEs are monitored by the National Budget Department. During the year 2016, out of the 55 SOBEs, 39 SOBEs were profitable and 16 SOBEs have made losses. At the same time, the total asset base of the SOBEs grew by 4.5% in 2016 compared to 2015 (“Table 01 in Annexure I”). Although, the performance of some SOBEs have been improved over the time, there are many obstacles to be defected such as low investments in productivity enhancing technologies and practices, on capacity building of staff, lack of the necessary skills due to the inability to attract human resources in competitive basis with the private sector and overstaffing etc.

Considering this situation, the government’s reform agenda has been concentrated on improving accountability, autonomy and productivity through multiple policy interventions. One of such policy interventions was the introduction of a Statements of Corporate Intent (SCI), which was planned to sign as a tripartite agreement between SOBEs, relevant line Ministry and the Treasury. Through the SCIs, it is expected to encompass a sense of responsibility for SOEs self-

performance, ensuring better resource utilization through the acquisition of capital assets and more realistic pricing policies.

The government strategy encourages providing more autonomy to the Boards of Management which comprised of professionally competent board of members with the introduction of Key Performance Indicators (KPIs).

## **1.2 Main Functions of the Department of Public Enterprises**

- Preparation of policies for State Owned Enterprises
- Administration of Commercial Corporations and Statutory Boards in accordance with the Finance Act No 38 of 1971
- Issue new circulars and guidelines to implement Good Governance in SOEs
- Study and analyze the proposals of Cabinet Memorandums submitted by the Line Ministries and by SOEs
- Monitoring and supervising of SOEs
- Analyze the cash requirements of SOEs and statutory bodies and make arrangements to release budgetary allocations accordingly
- Providing assistance to cabinet sub committees in relation to establishment matters
- Reconcile the State Investment Account in relation to all SOEs and their subsidiaries
- Follow up of MOUs in relation to post privatized SOEs and assist to solve relevant issues
- Arrangement of seminars and workshops regarding issues of SOEs and in this regard, coordinate with Departments of the General Treasury
- Assist and participate to Committee on Public Enterprises (COPE) in the Parliament

## **2. Main Activities Implemented by the Department of Public Enterprises-2016**

During the year 2016, PED as the main supervisory arm of the Treasury in relation with SOEs, has implemented activities in order to strengthen and safeguard the SOEs.

- a) Issuance of Circulars and Amendments to the Guidelines

As a foremost tool of delivering its duties and responsibilities as a monitoring and supervising agency of SOEs, the PED issued seven Circulars on six key areas in order to articulate policy directives and guidance to enhance the corporate governance of SOEs in Sri Lanka. The key areas addressed through those Circulars are;

- I. Audit of State Owned Companies (SOCs) in line with the provisions stipulated in 19<sup>th</sup> amendment to the Constitution,
- II. Voluntary Retirement Scheme (VRS) for excess employees of selected Government Owned Enterprises,
- III. Deduction of PAYE tax from the employees of State Owned Enterprises,
- IV. Transport facilities for the officers in Commercial Corporations, Statutory Boards and State Owned Companies,
- V. Procurement of vehicles for the Government Agencies under operating lease method and
- VI. Payment of bonus to staff of the Government Corporations and the fully Government Owned Companies for the year 2016.

Moreover, policy unit of PED has resolved and answered over 200 policy issues referred by different SOEs during the year. Further, officers in PED assisted SOEs to improve their corporate governance through written and verbal advises for their requests/queries on daily basis whenever arisen.

b) Assistance to Committee on Public Enterprises (COPE) Proceedings

A new COPE was appointed on 26 November, 2015 after the General Election held in 2015. Officials of the PED were attended 51 COPE meetings out of 60 COPE meetings conducted during the year 2016. COPE directions given were regularly monitored and advised to take corrective measures accordingly. A detailed list of COPE attendance is given in “Table 02 in Annexure II”.

c) Follow up the submission of Annual Reports of SOEs in Parliament. A list of Annual Reports summited in parliament during 2016 is in “Table 03 in Annexure III”

d) With the introduction of the 19<sup>th</sup> Amendment to the Constitution, all the subsidiary companies of SOEs which have more than 50 percent of government holding has to be

audited by the Auditor General. Audit findings of the Auditor General's reports on the financial statements of the SOEs and subsidiary companies were followed up and instructed for corrective measures.

- e) PED liaised with the Ministry of Finance (MOF) to obtain the Hon. Finance Minister's concurrence for activities and operations of SOEs where necessary as per the Finance Act, Financial Regulations and PED circulars. Such decisions would include authorization of capital expenditure, enhancing of borrowing limits, tariff revisions etc. The recommendations were made by PED, once the requests are properly analyzed by considering their conformity with government policies.
- f) PED officials represented the Treasury at shareholder meetings, Annual/Extraordinary General Meetings of SOEs and provided directions to the management for improving the performance of SOEs in line with the Government Policy Framework.
- g) PED exercised its authority granted by the Guidelines/Circulars issued by the MOF in granting approvals for purchase of vehicles, foreign travels, budgetary provisions and cash releases.
- h) Staff of the PED has arranged/attended numerous meetings, chaired by Hon. Minister of Finance, Secretary to the Treasury, Deputy Secretary to the Treasury or the Director General of the PED with Boards of Directors/ Senior Management of SOEs to review and discuss progress, performance, and made arrangements to resolve operational issues etc.
- i) Dividends and levies were collected from SOEs on behalf of the MOF and two revenue accounts were prepared thereof for the year.
- j) After studying and analyzing of the Cabinet Memorandums submitted by various Ministries in relation to SOEs, observations of the Hon. Minister of Finance were presented. The details of Cabinet Observations prepared by the PED in 2016 are shown in the "Table 2.1" below.

**Table 2.1 : Cabinet Observations- A Sectorial Analysis 2016**

<b>Order</b>	<b>Sector</b>	<b>No. of Cabinet Observations Given</b>
01	Energy	37
02	Ports	20
03	Aviation	12
04	Water	8
05	Commuter Transport	14
06	Construction	11
07	Livestock	6
08	Plantation	6
09	Non Renewable Resources	5
10	Health	5
11	Media	7
12	Marketing & Distribution	12
13	Restructuring	11
14	Fisheries	12
15	Bank	3
16	Non Business	6
	<b>Total</b>	<b>175</b>

*Source: Department of Public Enterprises*

- k) Facilitated the process of reconciling the State Investment Account which was initiated in 2014 through submission of information collected and updated from all SOEs and their subsidiaries.
- l) The PED has taken initiatives to introduce Statement of Corporate Intent (SCI) for the identified five main SOEs; Ceylon Electricity Board-(CEB), National Water Supply and Drainage Board- (NWS&DB), Sri Lanka Ports Authority-(SLPA), Ceylon Petroleum Corporation-(CPC) and Airport & Aviation Services (Sri Lanka) Ltd (AASL). Those SCIs were signed as tri party agreements among the Secretary to the Treasury, Secretaries to the Line Ministries and the Chairmen of relevant SOBE on 15<sup>th</sup> March, 2017.
- m) With the approval of the Cabinet of Ministers, PED introduced a Voluntary Retirement Scheme (VRS) for selected SOEs as the first step of restructuring these enterprises into commercially viable entities. Accordingly, SLTB, Ceylon Fisheries Corporation (CFC), Sri



Lanka Cement Corporation, Lanka Cement PLC, National Paper and Lanka Salusala Ltd implemented VRS during 2016. The details of those VRS scheme are shown in the “Table 2.2”.

**Table 2.2 : Details of Voluntary Retirement Schemes**

Order	Organisation/SOE	No of employees Retired on VRS scheme
01	Sri Lanka Transport Board	3,822
02	Ceylon Fisheries Corporation	273
03	Sri Lanka Cement Corporation	35
04	Lanka Cement PLC	18
05	National Paper Corporation	148
06	Lanka Salusala Ltd	194
	<b>Total</b>	<b>4,490</b>

Source: Department of Public Enterprises

- n) In order to strengthen balance sheets of SOEs, PED has recommended to issue Treasury Grantees to the National Water supply & Drainage Board, Northsea Limited, Urban Development Authority, Telecommunication & Regulator Commission, State Engineering Corporation, Ceylon Electricity Board, Lanka Coal Company Pvt Ltd and Ceylon Petroleum Corporation, during the year 2016. The Details of the guarantees are given in the “Table 2.3” below.

**Table 2.3 : Details of Treasury Guarantees Issued in 2016**

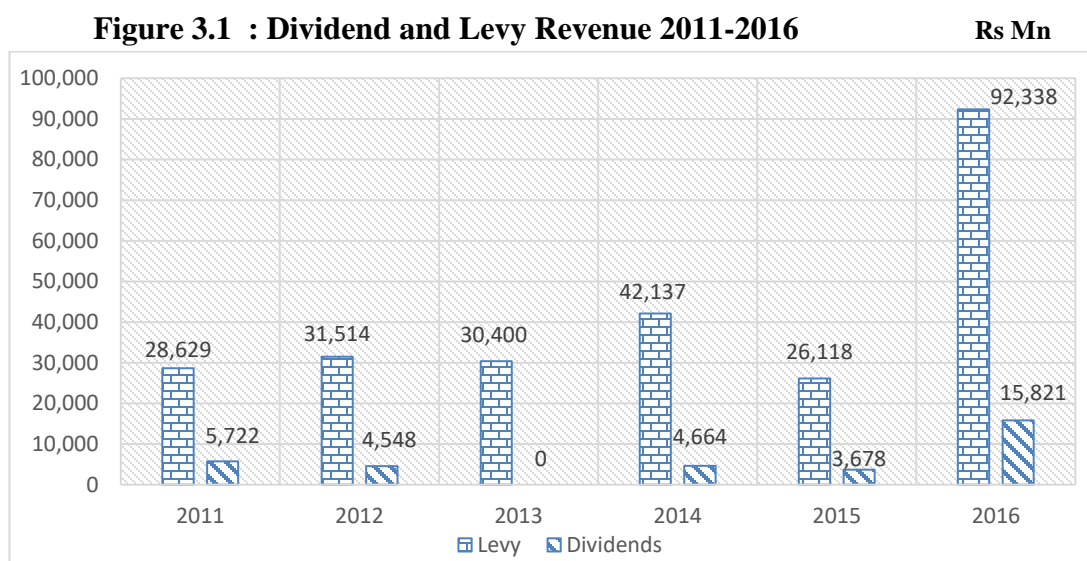
Order	Institute	Currency	Guarantee Amount (Mn)
1	National Water supply & Drainage Board	Rs	11,838.85
		USD	385.20
		Euro	36.48
2	Northsea Limited	Rs	50.00
3	Urban Development Authority	Rs	20,000.00
4	Telecommunication Regularity Commission	USD	88.66
5	State Engineering Corporation	Rs	750.00
6	Ceylon Electricity Board	Rs	8,750.00
7	Lanka Coal Company Pvt Ltd	Rs	6,000.00
8	Ceylon Petroleum Corporation	USD	900.00

Source: Department of Public Enterprises

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

#### 3.1 Payments of Dividend and Levy to the Treasury

As per the government policy on revenue collection, all SOBEs are required to contribute annually to the Treasury at least 30 percent of their profit after tax or 15 percent of their equity whichever is higher. During the year 2016, forty six SOEs have contributed to consolidated fund as levies and dividends amounting to Rs.108 billion which is recorded a two hundred sixty percent (260%) increase over the year 2015. Dividends and levies collected during 2016 is given in the “Table 04 in the Annexure IV”. The graph in “Figure 3.1” shows the trend of collecting dividend and levy revenue for the last six years.



Source: Department of Public Enterprises

#### 3.2 Budgetary Support for SOEs

In the year 2016, PED has recommended to provide budgetary supports for 8 SOEs amounting to Rs.23 billion which is a twelve percent (12%) decline compared to the amount of Rs. 26 billion for 12 SOEs year in 2015. Decreasing of capital grants for SOBEs is the main reason behind this decline. A list of SOEs which were provided budgetary support, are shown in “Table 05 in Annexure V”.

### 3.3 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 the Board of Directors, and management of SOEs. The financial outturn of the strategically important SOBEs is given in the “Table 06 in Annexure VI”.

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

To ensure achievement of short term and medium term targets of SOEs, following key recommendations were made during the year.

Table 4.1 : Measures Taken to Improve Performance of SOBEs and Recommendations Made by PED

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
<p><b>Energy Sector</b></p> <p>Ceylon Electricity Board (CEB)</p>	<p>Due to the dry weather conditions which prevailed in 2016, power generation composition changed from Hydro: Thermal: Coal 38:28:34 in 2015 to 25:40:35 in 2016 resulting in an increase in cost per unit to Rs. 17.53 from Rs. 15.06 in 2015. As the cost reflective tariff methodology is not yet to be validated, CEB has recorded an operating loss of Rs. 14,499 million in 2016</p> <p>Treasury has approved Rs.85.8 billion borrowing limit up to 31.12.2016</p> <p>The Cabinet of Ministers has approved to recruit 3828 employees to the CEB who have been attached to the Sri Lanka Energies (Pvt) Ltd.</p> <p>Imposed of 2% NBT on sales from 2016 and according to the budget speech 2017, 15% VAT would be imposed on coal imports from 2017.</p> <p>Special Management fee of Rs.5 billion received for the consolidated Fund in 2016 and which will be amortized during next 10 years.</p> <p>Extend the validity period of the Treasury Guarantee of NSB Rs.8,750 billion.</p>	<p>CEB would have to follow the Dispatch Audit Guidelines prepared by the PUCSL to streamline the functions of the system control of power dispatch and thereby ensure the least cost power dispatch.</p> <p>Country’s energy policy requires that by 2020 at least 20 percent of the country’s electricity generation capacities 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>In the last 5 years, the year on year demand for electricity has increased on an average around 4.5 percent due to more industries coming into the economy. Hence, CEB’s long term generation plan approved by the Public Utilities Commission of Sri Lanka (PUCSL) focuses on augmenting the generation capacity by at least</p>

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
		870MW every year from 2015 to 2034, at an investment of at least Rs. 20 billion or USD 132 million every year.
Ceylon Petroleum Corporation (CPC)	<p>In the year 2016 the CPC ended with a net profit of Rs. 69.6 billion compared to the net loss of Rs. 19.4 billion in 2015. The high demand from the electricity sector for Diesel and Furnace Oil for electricity generation due to drought which has been prevailing during the latter part of 2016 boosted the profits of CPC as both these products were being sold at a better margin. A relatively stable Rupee resulted in the CPC being able to reduce total import cost as well as the exchange losses to Rs 8.8 billion in 2016 from 32.8 billion in 2015. As such, with the improvement in the cash flow position CPC reduced their exposure to banks by around USD 313 million, and thereby saw a decrease in their interest cost by 24 percent or Rs. 3,600 million.</p> <p>As a result the Treasury reduced the Treasury guarantee by US\$ 200 million to US\$ 1,600 million. The exposure to banks as at the end of year 2016 has decreased to US\$ 2,036 million compared to US\$ 2,481 million at the end of the year 2015.</p>	<p>It is observed that the sales increase in the year 2016 has been tied up with debtors. Therefore, CPC has to take necessary steps to manage its debtors efficiently.</p> <p>Finance charges also has a considerable impact on the bottom line profit of the entity. Therefore CPC was advised to explore the possibility of managing their exposure to two state banks in prudent manner.</p>
<b>Water Sector</b>  National Water Supply and Drainage Board (NWS&DB)	<p>The NWS&amp;DB has a significant role to play in order to enhance access to pipe borne water from existing level to 60 percent by 2020. At present, 47.7 percent of Sri Lankan community accesses for safe drinking water by means of pipe borne water of which 37.2 percent represents by NWS&amp;DB.</p> <p>NWS&amp;DB produced 649 million cubic meters (m<sup>3</sup>) of drinking water in 2016, a 6 percent increase at 612 million m<sup>3</sup> over 2015, at the production cost of Rs.13,486 million, through 337 water supply schemes. Cost to</p>	<p>Most of the projects implemented by the NWS&amp;DB have undue delays and huge cost escalations mainly due to delays in the procurement process and poor project management.</p> <p>Accordingly, NWS&amp;DB was instructed to improve its monitoring mechanism and its project management functions in order to enhance the value for money.</p>

Sector	Performance of SOBES/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
	<p>the doorstep of the customer was remained at Rs. 48.00 per m<sup>3</sup> in 2016 similar to the year 2015.</p> <p>During 2016 NWS&amp;DB distributed 484 million m<sup>3</sup> of water an increase of 10 percent at 442 million m<sup>3</sup> in comparison to 2015, through 2,092,471 water connections and browsers. NWS&amp;DB recorded a revenue of Rs. 21.3 billion.</p> <p>In 2016, 165 million m<sup>3</sup> of drinking water is reported as Non-Revenue Water (NRW), water wasted continuously through leakages in the distribution system, which is 25.4 percent of the total production. The board was able to marginally reduce the NRW to 25.4 percent in 2016 from 28 percent in 2015.</p>	<p>The effectiveness of the decisions basically depends on the correctness and the reliability of information provided. Therefore, it was emphasised the vital requirement of the availability of a sufficient and appropriate Management Information System (MIS) preferably Enterprise Resource Plan (ERP).</p>
<p><b>Commuter Transportation Sector</b></p> <p>Sri Lanka Transport Board (SLTB)</p>	<p>In order to solve the issue of overstaffing, a Voluntary Retirement Scheme (VRS) was introduced during the year 2016, and 3,822 employees were retired, the funds required (Rs.6, 500 million) were granted by the General Treasury.</p> <p>The unsettled statutory payments of Rs. 11,932 million (EPF and Gratuity) were reduced to Rs. 6,618 million by the end of 2016. A company named Provident Property Lanka Limited has been incorporated for settling SLTB's unsettled statutory payments. Accordingly, unutilized lands owned by the SLTB will be transferred to the company along with the liability of over Rs 6 billion, and equity shares or preferential shares will be issued to the Employee Provident Fund (EPF) with the expectation of re-purchasing them when the properties are sold.</p> <p>In order to overcome operational inefficiencies, SEMA, SLTB, Transport Ministry and General Treasury are involved</p>	<p>The PED emphasised the need of an Enterprise Resource Plan (ERP) system to extend the operational level enabling the SLTB to manage its operations more efficiently and effectively. Therefore following policy recommendations can be made.</p> <p>Dispose buses which are not in running condition.</p> <p>A business plan need to be formulated to convert the SLTB in to a profitable entity.</p> <p>SLTB was instructed to obtain approval for carder requirement with relevant Schemes of Recruitment (SoR) after implement the VRS.</p>

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
	<p>in formulating a business plan, which is based on the profit center concept and is supplemented by the concept of family ownership of busses that promotes to trim down the operational inefficiencies by integrating a self-developed ERP system.</p> <p>General Treasury has allocated Rs.1,350 million per month to SLTB for payment of the recurrent expenditure.</p>	
<p><b>Aviation Sector</b></p> <p>Airport &amp; Aviation Services (Sri Lanka) Ltd.(AASL)</p>	<p>Even though the capacity of Bandaranayake International Airport (BIA) is around 6 million passengers, it has handled almost 9.6 million passenger in 2016 resulting a 60 percent over saturation. This has affected to increase the passenger handling time. However, along with the ongoing BIA (phase ii) expansion project, total passenger capacity will increase to 15 million by 2020. The GOSL has made a significant investment to build the second international Airport at Mathala. However, it has not been optimally utilized during last few years. As Such, currently the Government is in the process of selecting a suitable partner through Expression of Interest (EOI) to convert this as an economical asset.</p> <p>Aircraft movements have increased by 10.5% to 62,039 during 2016 while passenger movements (including transit passengers) has also inclined by 11.7 %.</p>	<p>AASL has informed the requirement of investments for related infrastructure development in order to meet the forecasted demand at 2025. As such, PED recommends AASL to accelerate the BIA 2<sup>nd</sup> Phase development project.</p> <p>PED has recommended AASL to act as the Airport Operator and Air Navigation Service Provider for the proposed incoming domestic Airports i.e. Batticaloa Airport and Airport in Badulla.</p>
<p>Sri Lanka Airlines (SLA)</p>	<p>Considering the uneconomical nature, SLA has made an important decision to cancel the agreement on four Airbus (A350-900 aircrafts) to be delivered in 2016 and 2017.</p> <p>Business operation of Mihin Lanka was amalgamated with SLA with effect from 30<sup>th</sup> October 2016 as per the government directives.</p> <p>GOSL is currently in the process of restructuring the SLA and expects to offer</p>	<p>Despite the continuous operational losses, SLA was the core service provider to the aviation sector i.e. the company's market share was almost 50 per cent of the total air passenger handled in 2016. It is envisaged that SLA is a crucial business entity which has direct linkage with Tourism industry in the country.</p>

<b>Sector</b>	<b>Performance of SOBEs/ Action Taken to Improve Performance</b>	<b>Recommendations Given / Action to be Taken</b>
	<p>an equity stake and management control in order to turnaround the company.</p> <p>Treasury has made required assurance through comport letters to the government banks in order to arrange loans for both MLL and SLA.</p>	<p>It is necessary to have significant controlling interest of SLA to the government, even under PPP business as the SLA is the strategically important entity in the tourism sector perspective.</p> <p>The new business model should not have any financial burden to the Treasury.</p> <p>SLA was requested to finalize its restructuring process by the end of June 2017 as per directives given by the General Treasury.</p>
Mihin Lanka (Pvt) Ltd (MLL)	<p>Route networks and 2 aircrafts of MLL have been transferred to SLA with effect from 30.10.2016. Currently, no business operation is carried out by the MLL.</p> <p>124 employees of MLL were absorbed to SLA while 168 employees resigned under the VRS offered by the company.</p>	<p>Continuation of MLL affairs without any commercial operations will result to incline it liability further and ultimately it will be a burden to the Treasury.</p> <p>As such, it was recommend to make immediate attention on MLL's affairs and needs to make a final decision through the Cabinet of Ministers.</p>

<b>Sector</b>	<b>Performance of SOBES/ Action Taken to Improve Performance</b>	<b>Recommendations Given / Action to be Taken</b>
<p><b>Port Sector</b></p> <p>Sri Lanka Ports Authority (SLPA)</p>	<p>Total revenue of Sri Lanka Ports Authority (SLPA) has increased to Rs. 44 billion during the year 2016, which is an increase of 8 percent compared to the revenue of Rs. 40.8 billion in 2015.</p> <p>The average turnaround time of SLPA has gradually improved as a result of the introduction and implementation of new terminal operation management system and introduction of high capacity equipment of ports and shipping.</p> <p>During the year, the Ministry of Ports and Shipping has spent Rs. 893 million for the compensation of land acquisition of the stage ii of the Hambanthota Port Project and it is also expected to incur another Rs. 1000 million for the same project in 2017. During the year another Rs. 14.5 million has been spent for the development of Jetty facilities in Jaffna Peninsula and Sub-urban towns and it will continue in the year 2017 as well.</p>	<p>SLPA was informed the requirement of further improvement in the average turnaround time to be able to compete with the private sector operators.</p> <p>Total loan liability of SLPA was Rs 237 billion as at 31.12.2016. It is recommended that SLPA should take action for implementation of a prudent debt management system to ensure debt sustainability.</p> <p>Though, during the year SLPA had to incur a foreign exchange loss of Rs. 10 billion as a result of rupee depreciation against USD and Japanese Yen, SLPA ended up the year with Rs. 1 billion Net Profit. Therefore, SLPA should take prompt actions to increase the turnover by enhancing the productivity and efficiency of operational activities with improved infrastructure and other facilities.</p>
<p><b>Construction Sector</b></p> <p>State Engineering Corporation (SEC)</p> <p>Central Engineering Consultancy Bureau (CECB)</p> <p>State Development and Construction</p>	<p>As per the recommendation of Cabinet Committee on Economic Management (CCEM), a series of meeting has been conducted to collect long outstanding debts of SEC. A Cabinet Memorandum has been submitted by this department stating the current situation of SEC and as per the decision of the Cabinet of Ministers, a Treasury Guarantee has been issued to obtain a loan amounting to Rs. 750 million from the Bank of Ceylon to meet working capital requirements of the SEC.</p> <p>Restructuring of the CECB cadre by segregating them in to the Central</p>	<p>SEC, CECB and SD&amp;CC should increase their utilization of modern technology, and need to adopt new construction practices and processes, while using smart building materials that are environment friendly and cost effective.</p> <p>Action should be taken to make investments for modern machinery and equipment.</p>



Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
Corporation(SD &CC)	Engineering Consultancy Bureau and its subsidiary called Central Engineering Services limited as per the instructions given by the COPE.	
<b>Banking Sector</b> Bank of Ceylon (BOC) People's Bank (PB) National Savings Bank (NSB) Regional Development Bank (RDB) State Mortgage and Investment Bank (SMIB) Lankaputhra Development Bank (LDB) Sri Lanka Savings Bank (SLSB) Housing Finance and Development Corporation (HFDC)	With a view of maintaining the capital adequacy ratios, during the year 2016, the shares worth of Rs.3 billion were issued by NSB utilizing the Unclaimed Deposit Reserve. The Treasury Bond worth of Rs.5 billion was issued to the BOC which will be utilized to issue shares. Several measures have been announced by the Budget proposals for 2016 to strengthen the balance sheets of the state banks which in turn will enable better ratings and wider access to markets both domestic and foreign. Under this, proposals have made to merge the HDFC Bank and SMIB to create a much stronger and larger "National Housing Bank", LDB to be merged with the RDB to create the "Lanka Enterprise Development Bank", and also Sri Lanka Savings Bank to be merged with National Savings Bank. Accordingly, the Ministry of Public Enterprises has initiated the merging process. State owned banks has paid Rs.38 billion as levy and Rs.759 million as dividends to the Treasury in the year 2016.	Enhance technological capabilities to compete with the rivals of the industry. Loan portfolios of BOC, PB and NSB are highly dependent upon the exposure to the Government including SOEs which hinder the ability to extend loan facilities to new developing sectors of the economy and diversification of the product portfolio. Improve credit quality and enhance recovery mechanisms. Identify emerging growth sectors of the economy to direct credit towards those sectors. Since Sri Lanka Savings Bank and Lankaputhra Development Bank is highly dependent on investment income rather than earning from core banking business, action should be taken to enhance the loan portfolio.
<b>Marketing &amp; Distribution</b> Hotel Developers Lanka PLC (HDL)	HDL's revenue increased to Rs. 2,540 million in 2015/16 from Rs. 2,018 million in 2014/15 by 25.8 percent. HDL recorded a profit before tax amounting to Rs. 203 million during 2015/2016 financial year compared to profit recorded in 2014/2015 amounting to Rs 77 million.	Formulation of flexible pricing packages in order to attract both local and foreign tourists of each spending layer.
Sri Lanka Handicraft Board (Laksala)	Laksala recorded a profit before tax of Rs. 4.48 million in 2016 over the loss recorded amounting to Rs. 21.91 million in 2015. Laksala's revenue decreased by 0.1 percent	Establish a unique market for handicrafts products under the brand name of "Laksala".

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
	<p>from Rs. 788 million in 2015 to Rs. 787 million in 2016.</p> <p>The increase in profit before tax is mainly due to the decrease in cost of sales and administrative expenses. Laksala's cost of finance increased during 2016 due to the payment of interest and loan installment totaled to Rs.129 million. SLHB obtained a loan for the construction work of "Ape Gama" amounting to Rs. 199.4 million. A total sum of Rs. 221 million was spent by Laksala on the "Ape Gama" by allocating Rs. 21.6 million from Laksala's own funds in addition to the said loan.</p> <p>Currently, the board does not receive a return on investment from "Ape Gama" as it was gazetted under the Ministry of Education from December 2015. Laksala pays Rs. 3.9 million monthly installment to settle this loan including the interest and it has become an additional burden to the Laksala.</p> <p>Laksala was awarded Industrial Excellency Award in 2016 by the Sri Lanka Chamber of Small and Medium Industries (SLCSMI)</p>	<p>Establishing and expanding the product categories.</p> <p>Renovate outlets to attract both foreign and local customers with modern facilities.</p> <p>Implement strategies to set up outlets in areas popular for tourists to obtain maximum benefit from the expanding tourism industry.</p> <p>Need to 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>Close down outlets that do not generate better return after careful investigation.</p>
Lanka Sathosa Limited (LSL)	<p>LSL has been able to achieve a significant growth from the year 2011 to 2016 under the outlet expansion program. However, the company started their financial downturn in the year 2015 onwards as result, the net profit of Rs.1,259 million in the year 2015 has converted to a net loss of Rs. 4,805 million at the end of year 2016, mainly due to the sale of imported rice at a low price since stocks were obsolete at that time, as a result of legal issues in procurement process. As consequence of these issues, LSL ran into liquidity problem causing inadequate stocks at outlet level.</p>	<p>Thus, LSL is faced with the pressing need of extending the current information system to cover the entire outlets, warehouses and the Head Office, until a new sophisticated Enterprise Resource Planning (ERP) system been introduced. Further, it is required to introduce proper internal control procedures including segregation of duties among employees providing them relevant authority and responsibility of the operations. Strengthening the internal audit department by increasing the</p>

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
		skilled audit staff and providing necessary resources is also a crucial requirement to improve the corporate governance. Even though, the KPI based efficiency improvement programme introduced by LSL is an appreciable decision, the cost incurred and the time taken to implement should be considered in terms of value for money.
Sri Lanka State Trading (General) Corporation Ltd(STC)	Total revenue of STC in 2016/17 has increased drastically by 24 percent in comparison with the previous year. Major reasons for this improvement are the cost reduction methods applied, along with the expansion of the chemical and elliet sector sales due to the increased demand by the government construction sector and the huge increase in the demand for IT related equipment during the year concerned. Further, the market operations of household products have also been in success. As a result, the company recorded a profit before tax of Rs. 35 million, which is a 40 percent improvement in comparison with the previous year.	Adopt new strategies for general products to penetrate the private sector enabling them to reduce the business risk over the public sector market while identifying products which can be offered to niche markets. Develop strategies to promote its brand name in these markets. Take necessary actions to get the maximum output from huge investments like the proposed Mega Showroom in Narahenpita in order to enhance the diversification of the STC's product portfolio.
State Printing Corporation (SPC)	SPC's revenue has increased by 14 percent mainly due to the increase in school text books printings and other printing work. Accordingly, the profit before tax has increased to Rs. 4.6 million in 2016 from Rs. 3 million in 2015. In 2016, SPC was able to reduce the stocks holding period from 2.5 months to 4.5 months in the previous year. Further, the Debtors Collection Period has reduced to 5.8 months in 2016 from 6.1 months in 2015. As a whole, in the year 2016, SPC has been able to improve the	The corporation informed the need of further improvement in working capital management to reduce its finance cost and improve its profitability. Further, 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.

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
	working capital management when compared with the previous year.	
State Timber Corporation (STC)	<p>STC was able to increase its revenue by 9.8 percent to Rs. 4,213 million in 2016 over Rs.3, 836 million recorded in 2015. Sale of timber logs represents approximately 60 percent of the revenue.</p> <p>Although STC continued to be a profitable entity recording a profit of Rs. 83 million in 2016, the profit has decreased by 77 percent compared to year 2015. Total expenditure of STC increased by 32 percent to Rs. 1,691 million in 2016 from Rs. 1,284 million in 2015.</p> <p>STC's cost of sales accounted for 52 percent of the total turnover resulting Rs. 2,307 million gross profit on operation in 2016. Including the special levy paid to Treasury amounting to Rs. 100 million a levy totaled to Rs. 176 million has been paid to the Treasury during 2016.</p>	<p>Instructed to introduce a pricing formula for log sales.</p> <p>Undergo a cadre revision and introduce proper recruitment policies to have a balance cadre for the existence of the entity. STC needs to implement proper strategies to bring the expenditure down which is necessary to enhance the profitability of the organization.</p> <p>Build strategic partnerships for furniture manufacturing</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>
<b>Insurance Sector</b>  Sri Lanka Insurance Corporation (SLIC)	<p>Being the market leader for general insurance with 20 percent market share while holding 19 percent market share for life insurance, SLIC records a total revenue of Rs. 42,049 million in 2016 which was a considerable increase over Rs. 31,156 million of previous year. Gross Written Premium (GWP) of 2016 has increased to Rs.27,594 million recording an increase of 12.5 percent.</p>	<p>SLIC was instructed to come up with innovative products by considering the changes in the patterns of consumer behavior and products that would fit to the needs of enterprises in industry, agriculture and service sectors of the country while safeguarding their own commercial interest.</p>
National Insurance Trust Fund (NITF)	<p>GWP of NITF has increased by 33 percent to Rs. 6,732 million in 2016 compared to year 2015. Total claims recorded at 3.2 billion in 2015 have increased by 66 percent to Rs. 5.2 billion in 2016.</p>	<p>Focused on the market requirements that are rising with the modern life style and develop better product that suits consumer requirements.</p>

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
<b>Livestock Sector</b> MILCO (Pvt) Ltd	Price of local milk powder was reduced by the budget 2016 and as a result, the loss suffered by MILCO is being reimbursed by the Treasury. MILCO was facilitated by the Treasury to revise the prices of their other products competitively in the market to gain profits. Treasury facilitated two loans of EURO 33.8 million and 64 million. One of them first loan (euro 34 million) is to renovate three factories at Ambewela, Digana and Polonnaruwa and two of them have already been completed. The other factory (Ambewela) is due to be completed by end of June 2017. Second loan is to relocate Narahenpita milk factory to Badalgama and its works have been commenced and works are in progress.	Promoting liquid milk consumption by encouraging market agents to better exploit currently untapped demand. Identify informal and traditional milk, dairy markets and introduce effective and appropriate market mechanism, technologies to formalize the markets. Promote fresh milk consumption among general Public.
National Livestock Development Board (NLDB)	Facilitated NLDB to obtain a new loan of USD 20 million and 2500 high yielding heifers were imported as the second stage of the project. They have now been located in Ridiyagama farm. With the location of new imported heifers milk production of NLDB has gone up from 28,000 Ltrs to 40,000 Ltrs per day.	Promoted new NLDB dairy farms using the calves delivered by imported high yielding cows.
<b>Plantation Sector</b> Janatha Estate Development Board (JEDB), Sri Lanka State Plantation Corporation (SLSPC) Chilaw Plantation Ltd (CPL) Kurunegala Plantation Ltd (KPL) Cashew Corporation (CC)	JEDB, SPSPC, CPL, KPL), EPL, CC and KTFL are the state owned enterprises which are currently operated in the country's plantation sector and the government owns a golden share in each of the 18 Regional Plantation Companies. Kalubowitiyana, Cashew Corporation and Sugar Company have shown a marked increase in its profit before tax and KPL, CPL recorded a marginal decrease in their profit before tax while SLSPC has been able to reduce its losses by almost by 34.46 percent. JEDB has been the outlier in the sector with increased losses of almost 7.26	Expedited the restructuring process with the view to increase harvest and decrease the production cost.

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
and Kalubowitiyana Tea Factory Ltd. (KTFL) Elkaduwa Plantation Ltd (EPL)	percent. The Ministry of Public Enterprises is in the process of restructuring these plantation entities to operate them in a commercially viable manner.	
<b>Non Renewable Resources</b>  Lanka Mineral Sands Limited (LMSL), Kahatagaha Graphite Lanka Ltd (KGLL)  Lanka Phosphate Ltd(PLC)	Participated in Annual General Meetings and pointed out the mistakes made in the Annual Reports and advised regarding the proper procedures in line with Good Governance of Public Enterprises.	LMSL needs to take action to comply with statutory requirements after having discussions with Secretary to the President, Attorney General and Registrar of Companies regarding the non-appointment of the Board to LMSL.  KGLL needs to have a marketing strategy to diversify its customer base and penetrate new markets  Need to take measures to increase value added products to attract new buyers.
<b>Health Sector</b>  Sri Lanka Ayurvedic Drugs Corporation	New factory opened at Pathiragoda road, Maharagama and 05 new products introduced to the market.  Jaffna and Thangalle sales centers were relocated at Jaffna New Town area and Mathara.	Strengthen the supply chain management to obtain the maximum production.  Conservation of cultivation of herb is essential to smooth supply of drugs with research on pharmaceuticals manufacturing.
State Pharmaceutical Corporation (SPC)	SPC has opened 03 New Rajya Osu Sala sales outlets at Kandy Railway premises, Gampaha & Nagoda in 2016.  The Total cost for construction of new building for Rajya Osu Sala Avissawella is Rs.13,012,681/-and the project has already been completed in 2016.  Total revenue of the SPC has increased by 28 percent to Rs. 31,214 million in 2016 compared to the revenue of Rs.24, 463 million recorded in 2015.	Action should be taken to extend the storage capacity of drugs according to the future requirements  Identify the proper disposal system for expired drugs while minimizing the quality failures of drugs.  Strengthen the ERP system apply for all outlets of SPC.

Sector	Performance of SOBES/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
	In expectation of smooth supplying of pharmaceuticals for hospital network, facilitated to borrowings from state banks to SPC.	
State Pharmaceutical Manufacturing Corporation (SPMC)	Introduced a blister pack for 05 items to the pharmaceuticals market. SPMC has obtained a loan facility for the expansion of operations through JICA and expected output will be 3,500 million unit tablets and capsules in 2017.	Implement new marketing strategies to enhance the market share. Enhance the storage facility. Introduce new pharmaceuticals formulas as per the local requirement. Explore the possibilities in international market.
Sri Jayewardenepura General Hospital (SJGH)	Total revenue of the SJGH has increased by 33 percent to Rs. 3,273 million in 2016. The Treasury has released Rs. 2,025 million for recurrent and capital grants during the year 2016.	Develop the theaters with new technology and modernization of equipment in specialty unit. Strengthen the customer caring to compete with private sector.
<b>Media</b> Sri Lanka Broadcasting Corporation	Completed modernization of studios and construction of new building complex with Treasury allocations.	Since new improvements through the marketing strategies changing. Strengthen the Management Information System of SLBC. Upgrade the Haputhale Transmission Center and explore the possibilities of upgrading Jaffna Transmission Center. Finding new opportunities to increase the viewer base.
Sri Lanka Rupavahini Corporation	The loss of Rs.374 million in 2015 has been reduced to Rs.231 million by 57 percent in the 2016.	Implementing the strategies to improve the quality of the programmes. Finding new revenue generation strategies by changing the contents of traditional programmes. Minimize the loss by reducing overhead cost and make profitable the entity.

Sector	Performance of SOBEs/ Action Taken to Improve Performance	Recommendations Given / Action to be Taken
		SLRC should take action to increase overall performance in order to attract more viewers to the channel to compete with other channels and increase the market share of the industry.
<b>Fisheries</b> Ceylon Fisheries Corporation (CFC)	As CFC has recruited excess staff. 273 employees were retired under a voluntary retirement scheme During 2016. Even though government has granted Rs 126 million for recurrent expenditure CFC recorded a loss of Rs. 288 million.	Emphasized the need of a proper business plan to become a profitable entity.
Ceylon Fisheries Harbours Corporation (CHFC)	Although the Treasury has granted Rs. 562 million to the CFHC it was recorded a loss of Rs. 31 million during the year. However the loss has reduced with compared to 2015.	The CHFC has been instructed to formulate a proper strategic plan and take corrective measures to improve financial governance and to reach at least break even in medium term.
<b>Lotteries</b> National Lotteries Board (NLB)	NLB's turnover in 2016, amounting to Rs. 20,170 million is an increase of 15.9 percent compared to previous year. The increase in revenue is mainly due to the increasing the number of draws per week under the concept of product mix change. During 2016, NLB's expenditure increased to Rs. 18,530 million with prizes declared increasing by 16 percent over 2015, to Rs.9,723 million. Although revenue increased by 16 percent in 2016 over 2015, the increase in the expenditure by 17 percent, resulted in the NLB's profits declining to Rs. 897 million in 2016 from Rs. 911 million in 2015. NLB has contributed Rs. 2,446 million to the Consolidated Fund in 2016.	In order to go in line with the objectives of the NLB, while increasing the contribution to the Consolidated Fund, the entity is instructed to implement the strategies necessary for increasing the revenue and reduction of the cost.
Development Lotteries Board (DLB)	While DLB's revenue in 2016 amounting to Rs. 16,513 million which was an increase of 25 percent compared with 2015, its main expenditure items such as agency commissions, prizes, and distribution and sales expenditure have increased to Rs.11,	It seems that the sales related cost has increased significantly over the previous year. Therefore, DLB is advised to explore the possibilities of reducing the sales



<b>Sector</b>	<b>Performance of SOBES/ Action Taken to Improve Performance</b>	<b>Recommendations Given / Action to be Taken</b>
	<p>081 million which is an increase of 27 percent over 2015.</p> <p>DLB has contributed Rs. 1,771 million to the President Fund in 2016, which is a marginal decrease of 2.5 percent compared to the contribution made in previous year.</p>	<p>relative cost down to an acceptable level</p>

## 5. The Human Recourses of the Department

### 5.1 The Human Resource Strength

The total number of employees 68, consist of employees including thirty officials in the staff grade and balance in the non-staff grade. The relevant information are given in the “Table 5.1”. Three on the job trainees of the Advanced Technology Institute were supervised by attaching them to different divisions of the PED and one development officer was also trained.

**Table 5.1 : Summary of the Staff 2016**

<b>Order</b>	<b>Category</b>	<b>No. of Staff</b>
<b>(A) Staff Grade</b>		
1	Director General	01
2	Additional Director General	04
3	Director	09
4	Deputy Director	01
5	Assistant Director	14
6	Administrative Officer	01
<b>(B) Non-Staff Grade</b>		
1	Development Assistant/Officer	04
2	Financial Analyst	03
3	Management Assistant	16
4	Receptionist	01
5	Driver	07
6	OES	07
	<b>Grand Total</b>	<b>68</b>

*Source: Department of Public Enterprises*

### 5.2 The Profile of the Staff Officers 2016

The total number of staff grade officials are belong to different services such as Sri Lanka Administrative Service (SLAS), Sri Lanka Accountant Service (SLAcS) and Sri Lanka Planning Service (SLPS) while two officials are belong to the Departmental Service. The details the staff officials of PED are given in the “Table 5.2” below. The organization structure of the department is shown as “Figure 5.1” below.

**Table 5.2 : The Profile of the Staff Officers 2016**

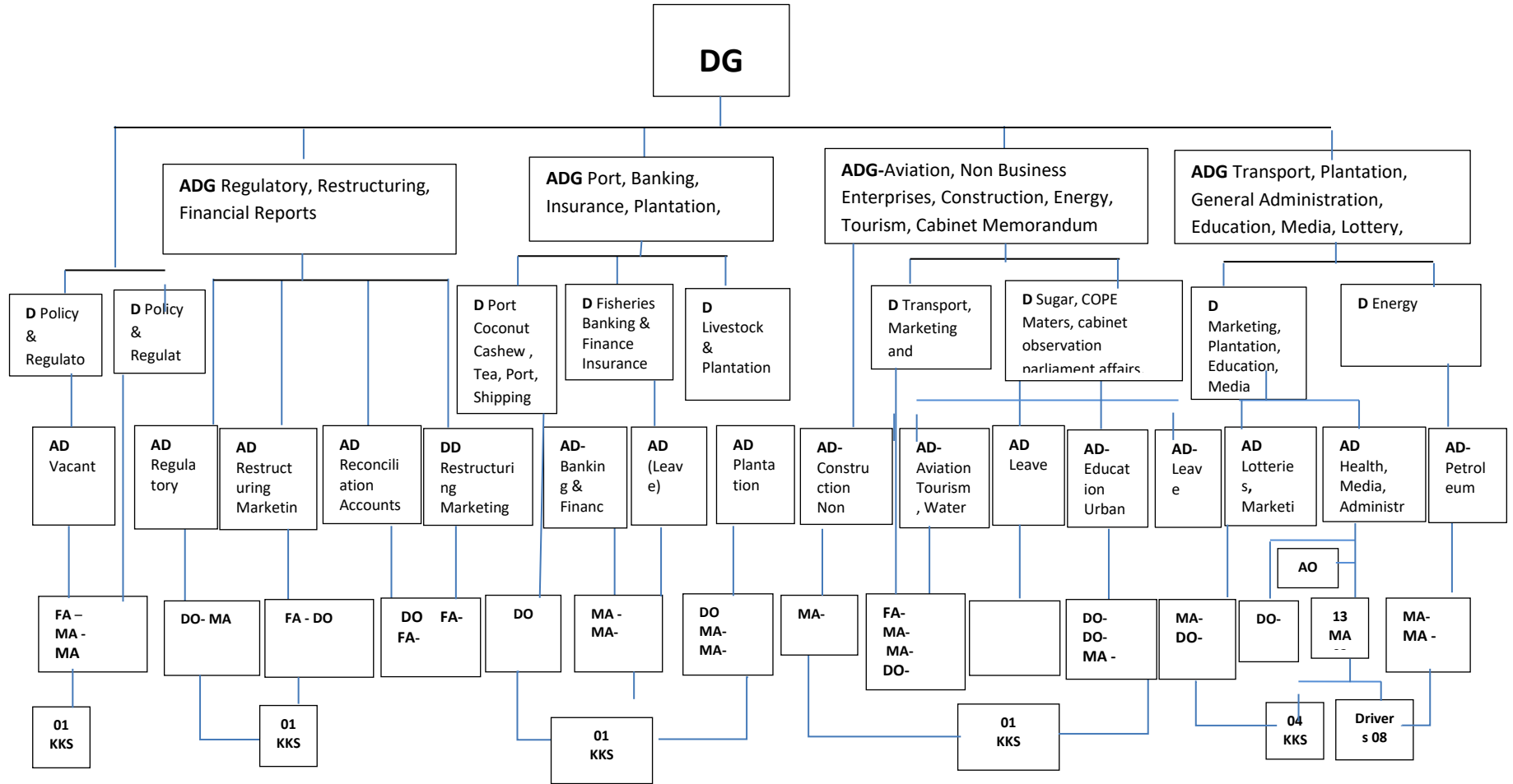
Order	Name	Designation	Service
1	Mr.R Semasinghe	Director General	SLAS
2	Mr. H Kasthuriarachchi	Additional Director General	SLAS
3	Mr. P H A S Wijayarathne	Additional Director General	SLPS
4	Mr. F H L M P Silva	Additional Director General	SLAcS
5	Ms. Crishanthi Hapugoda	Additional Director General	SLPS
6	Mr. J M U P Jayamaha	Director	SLAcS
7	Mr.T V Weerasena	Director	SLAcS
8	Mr. P A S Athula Kumara	Director	SLAcS
9	Mr. R M S P S Bandara	Director	SLPS
10	Mrs. M C N Balasooriya	Director	SLAcS
11	Mr. M R V R Meepura	Director	SLAcS
12	Mr. H A N S Kumara	Director	SLAcS
13	Mr. R M Wijesinghe Banda	Director	SLPS
14	Mr. R Rushanthan	Director	SLAS
15	Mrs. J P P Liyanage	Deputy Director	Departmental
16	Mrs. K V C Dilrukshi	Assistant Director	SLAcS
17	Mrs. S K M K de Alwis	Assistant Director	SLAS
18	Mrs. L G S Dushyanthi	Assistant Director	SLAcS
19	Mrs. S M Rajapakse	Assistant Director	SLAcS
20	Mr. R L U Kumara	Assistant Director	SLAcS
21	Mr. G M I U Bandara	Assistant Director	SLAcS
22	Mr. K S M de Silva	Assistant Director	SLAcS
23	Mrs. D Gamage	Assistant Director	SLAcS
24	Mrs. W K D Danstan	Assistant Director	SLAcS
25	Mrs. A R Wickremasinghe	Assistant Director	Departmental
26	Mr. Chathura Samarasinghe	Assistant Director	SLAS
27	Mrs. H C M Fonseka	Assistant Director	SLPS
28	Mrs. D L D A R Jayasinghe	Assistant Director	SLPS
29	Mrs. A Y H Anuruddha	Assistant Director	SLPS
30	Mrs. K V D T N Wijegunaratne	Administrative Officer	PMS

Source: Department of Public Enterprises

SLAS : Sri Lanka Administration Service  
 SLPS : Sri Lanka Planning Service  
 SLAcS : Sri Lanka Accounting Service  
 PMS : Public Management Service

**Figure 5.1 :**

**Organizational Structure**



### 5.3 Cadre Profile 2016

The approved carder and the actual carder as at 31.12.2016 is shown in the “Table 5.3” below. Accordingly, there were 68 officials out of 78 approved cadre.

**Table 5.3 : The Cadre Details as at 31.12.2016**

Order	Designation	Approved Cadre	Existing Cadre	Vacant	Excess
1	Director General	01	01	-	-
2	Additional Director General	04	04	-	-
3	Director	09	09	-	-
4	Deputy Director/ Assistant Director	16	15	01	-
5	Administrative Officer	01	01	-	-
6	Development Assistant/officer	07	04	03	-
7	Financial Analyst	03	03	-	-
8	Management Assistant	21	16	05	-
9	Receptionist	01	01	-	-
10	Driver	08	07	01	-
11	OES	07	07	-	-
	<b>Total</b>	<b>78</b>	<b>68</b>	<b>10</b>	-

Source: Department of Public Enterprises

### 5.4 Transfers During 2016

Fifteen staff members were transferred from the department while 11 members have joined to the department during the year 2016. The details of the transfers are given on “Table 5.4” below.

**Table 5.4 : Transfers From / To PED**

Order	Designation of the Officer	to PED	from PED
01	DG	-	-
02	ADG	01	-
03	Director	-	-
04	Deputy Director	-	-
05	Assistant Director	01	01
06	AO	-	-
07	Development Assistant	-	01
08	Management Assistant	01	03
09	Driver	03	02
10	OES	01	04

Source: Department of Public Enterprises

## 5.5 Training Provided During 2016

PED provided local and foreign training programmes to its staff throughout the year to improve the skills. The Details of the foreign training are in the “table 5.5” and local training is in the “table 5.6” below.

**Table 5.5 : Staff Training 2016- Foreign**

Order	Title of the Training	No. of Participants/ Designation	Duration (Days)
1	Training Programme on Leadership Decision Making offered by the Harvard Kennedy School (USA)	01-DG	06
2	Financial Programming and Policies (Singapore)	02-AD	12
3	Trainers training on Entrepreneurship & promotion of Income Generation Activities (India)	01 -DA	33
4	Nomination for First High – Level Follow – up Dialogue on Financing for Development in Asia and the Pacific (Korea)	01 - ADG	02
5	Technical Level Regional Workshop on Corporate Governance of Stat Owned Enterprises (Dubai)	01 - ADG	03
6	IFC Senior Training on Public – private Partnerships and Project finance Program - Singapore	01 - DG	04
7	Seminar on Integrated Rural and Urban and Poverty Reduction for Asian Countries –(China)	01 -D	20
8	Executive Training Programme on Macroeconomic Policies at the University of Hong Kong	11-ADG/D/AD	05
9	Workshop on Corporate Governance of State Owned Enterprises in (Dubai)	01- D	03
10	International Programme on Management Kasetsart University -Bangkok	01 - ADG	08
11	Public Private Partnerships in Emerging Economies - Singapore	01 - D	05
12	Contemporary Macroeconomic policies in a Globalized Economy (Japan )	01 - ADG	05

*Source: Department of Public Enterprises*

DG - Director General

ADG - Additional Director General

D - Director

AD - Assistant Director

DO - Development Officer

**Table 5.6 : Staff Training 2016 - Local**

<b>Order</b>	<b>Title of the Training</b>	<b>No. of Participants</b>	<b>Duration</b>
1	Training Program (Drivers)	06 - DR	01 - day
2	Master of Financial Economics	01-AD	01 -Year
3	Preparation of Financial Report of Government Institute	01 - MA	01 - day
4	Capacity Development Program for the Sri Lankan Accountant Service officers	01 - D	05 - days
5	Finance Management for Non Finance Manager	04 - AD	01 - day
6	Public Procurement Policy and Guidelines	01 - D	01 - day
7	Sri Lanka Public Sector Accounting Standards	04- D / AD	07 - days
8	Microeconomics for Public Management Planning and Policy Analysis	03 - AD	02 - days
9	Workshop on World Bank Group Long Term Development Financing Options	02 - AD	01 - day
10	Training Programme on Laws of Bribery and Corruption	01 - DO	01 - day
11	Forecasting Budgeting & Financial Management	02 - FA	02 - days
12	Workshop on Public Records Administration and archivist laws	01 - AO	01 - day
13	Certificate Course in English for Employment Purposes (CEEP)	02 - DO	9 -days

Source: Department of Public Enterprises

DG - Director General  
 ADG - Additional Director General  
 D - Director  
 AD - Assistant Director  
 OES - Office Employer Service

DO - Development Officer  
 MA - Management Assistant  
 FA - Financial Analyst  
 DR - Driver

## 6. Financial Management

### 6.1 Budgetary allocation and actual expenditure for year 2015 & 2016

The budgetary allocations made in 2016 and the actual expenditure is shown in the following table.

**Table 6.1 : The Budgetary Allocation and Actual Expenditure  
Year 2015 & 2016**

Description	Rs. Thousand (000)			
	Actual Expenditure		Net Budgetary Provision	
	2015	2016	2015	2016
<b>Recurrent</b>	<b>62,746</b>	<b>70,383</b>	<b>64,605</b>	<b>72,050</b>
Personal Emolument	46,745	52,811	47,255	53,300
Other Recurrent	16,001	17,572	17,350	18,750
<b>Capital</b>				
<b>Rehabilitation &amp; Improvement</b>	<b>369</b>	<b>1,620</b>	<b>500</b>	<b>1920</b>
2001 Building & Structure	369	586	500	620
2003 Vehicle	0	1,034	0	1,300
<b>Acquisition</b>	<b>1,691</b>	<b>1,600</b>	<b>2,900</b>	<b>2,000</b>
2102 Furniture & Office Equipment	1,691	1,600	2,800	2,000
2103 Plant, Machinery & Equipment	0	0	100	0
<b>Other Capital Expenditure</b>	<b>89,387,109</b>	<b>19,420,541</b>	<b>94,400,000</b>	<b>19,420,541</b>
2301 Equity Contributions	89,387,109	19,397,121	94,400,000	19,397,121
2502 Investments	0	23,420	0	23,420
<b>Capacity Building</b>	<b>1,756</b>	<b>545</b>	<b>2,000</b>	<b>800</b>
2401 Training & Capacity Building	1,756	545	2,000	800
<b>Total</b>	<b>89,390,925</b>	<b>19,424,306</b>	<b>94,405,400</b>	<b>19,425,261</b>

Source: Department of Public Enterprises



## 6.2 Public Officers' Advance Account – 2016

The details of the “Public Officers Advance “B” account are given in the table 6.2. Accordingly, the department has been able to operate within the authorized limits.

**Table 6.2 : Public Officers' Advance Account Limits & Actual**

<b>Description</b>	<b>Limits Authorized</b>	<b>Actual at the end of the Year</b>
Maximum Limit of Expenditure	4,350,000.00	4,339,208.62
Minimum Limit of Receipts	2,300,000.00	2,682,436.81
Maximum Limit of Debit Balance	18,000,000.00	14,134,994.69

*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 2016 have been submitted to the Auditor General within the stipulated time frame.

## Annexures

“Annexure - I”

**Table 01: Asset Bases of SOBEs on Sector Wise**

( Rs. bn)

Order	Sector	Number of SOBEs	Total Assets as at		Growth (%)
			31.12.2015	31.12.2016	
01	Energy	02	981.51	1,004.29	2.3
02	Water	01	332.11	383.82	15.4
03	Ports	01	337.27	332.77	(1.5)
04	Commuter transportation	01	26.99	26.88	(0.4)
05	Aviation	03	126.03	128.59	1.2
06	Construction	03	40.91	38.88	(4.9)
07	Banking and Finance	09	3,968.95	4,130.68	4.08
08	Insurance	04	185.83	192.23	3.4
09	Lotteries	02	5.17	6.91	33.6
10	Livestock	02	10.99	21.67	97.2
11	Plantations	06	13.03	12.97	(0.46)
12	Non-Renewable Resources	03	4.01	3.81	(4.98)
13	Health	04	14.98	14.63	6.7
14	Media	03	8.78	9.38	6.83
15	Marketing and Distribution	11	108.87	136.82	25.8
	<b>Total</b>	<b>55</b>	<b>6,165.43</b>	<b>6,444.33</b>	<b>4.5</b>

Sources: SOBEs and Department of Public Enterprises

**Table 02: Attendance of the COPE Meetings**

Order	Institute	Date
1	Bank of Ceylon	2016.01.26
2	Ceylon Electricity Board	2016.01.28
3	L.T.L.Holdings Privet Company	2016.02.09
4	Rakna Arakshana Lanka Company	2016.02.09
5	Sri Jayawardenapura General Hospital	2016.02.10
6	Sri Lankan Airlines Ltd	2016.02.12
7	State Pharmaceuticals Corporation	2016.02.23
8	Janatha Estates Development Board	2016.02.24
9	Central Bank of Sri Lanka	2016.02.25
10	Agriculture and Agrarian Insurance Board	2016.02.26
11	Rakna Arakshana Lanka Company	2016.03.08
12	Sri Lanka Cricket Board	2016.03.08
13	Palmyrah Development Board	2016.03.11
14	Land Reform Commission	2016.03.23
15	Lankaputra Development Bank	2016.03.23
16	Ceylon Electricity Board	2016.03.24
17	National Film Corporation	2016.03.24
18	Elkaduwa Plantations Ltd	2016.04.06
19	National Water Supply and Drainage Board	2016.04.07
20	Ceylon Petroleum Corporation	2016.04.08
21	Lanka Sathosa Ltd	2016.05.18
22	Central Bank of Sri Lanka	2016.06.08
23	Sri Lanka Insurance Corporation	2016.06.08
24	State Engineering Corporation of Sri Lanka	2016.06.09
25	Telecommunication Regulatory Commission of SL	2016.06.23
26	Committee discussion on Auditor General's Report on Bond Issue	2016.06.23
27	Central Bank of Sri Lanka	2016.07.07
28	Sri Lanka Cricket Board	2016.07.20
29	SL Rupavahini Corporation	2016.07.21
30	National Lotteries Board	2016.07.22
31	Football Federation of Sri Lanka	2016.08.09
32	SL Ayurvedic Drugs Corporation	2016.08.10
33	Central Bank of Sri Lanka	2016.08.12
34	Central Bank of Sri Lanka	2016.08.23
35	Sri Lanka Ports Authority	2016.08.23
36	Kurunegala Plantations Ltd	2016.08.25
37	Employee's Provident Fund	2016.08.26
38	Central Bank of Sri Lanka	2016.09.08
39	Tourism Development Authority	2016.09.09
40	Airport and Aviation Services (SL) Ltd	2016.09.09
41	Lanka Sathosa Ltd	2016.09.20
42	Peoples' Bank	2016.09.22
43	Central Bank of Sri Lanka	2016.09.23
44	SL Ayurvedic Drugs Corporation	2016.10.04
45	Central Bank of Sri Lanka	2016.10.05
46	Central Bank of Sri Lanka	2016.10.20
47	Central Bank of Sri Lanka	2016.10.21
48	Central Bank of Sri Lanka	2016.10.24
49	Central Bank of Sri Lanka	2016.10.26
50	National Lotteries Board	2016.12.05
51	SL Ayurvedic Drugs Corporation	2016.12.07

Source: Department of Public Enterprises

**Table 03: Submission of Annual Reports – SOEs**

Order	SOEs	2011	2012	2013	2014	2015
1	Bank of Ceylon	√	√	√	√	√
2	People’s Bank	√	√	√	√	√
3	National Savings Bank	√	√	√	√	√
4	State Mortgage & Investment Bank	√	√	√	√	√
5	HDFC Bank	√	√	√	√	√
6	Lankaputhra Development Bank Ltd	√	√	X	√	X
7	Pradeshiya Sanwardhana Bank (RDB)	√	√	√	√	√
8	Sri Lanka Savings Bank Ltd	√	√	X	X	X
9	Employee’s Trust Fund Board	√	√	√	√	√
10	Sri Lanka Insurance Corporation	√	√	√	√	√
11	National Insurance Trust Fund	√	√	√	X	X
12	Ceylon Electricity Board	√	√	√	√	X
13	Ceylon Petroleum Corporation	√	√	√	√	X
14	Sri Lanka Ports Authority	√	√	√	√	X
15	National Water Supply and Drainage Board	√	√	√	√	X
16	Airport and Aviation Services (SL) Ltd	√	√	√	√	√
17	Sri Lankan Airlines Ltd	√	√	√	√	√
18	Mihin Lanka (Pvt) Ltd	√	X	X	√	X
19	Sri Lanka Transport Board	X	X	X	X	X
20	State Engineering Corporation of Sri Lanka	√	√	√	X	X
21	Central Engineering Consultancy Bureau	√	X	√	X	X
22	State Development and Construction Corporation	√	√	√	X	X
23	Milco (Pvt) Ltd	√	√	√	√	X
24	National Livestock Development Board	√	√	√	√	X
25	Ceylon Fisheries Corporation	√	√	X	X	X
26	Ceylon Fishery Harbour Corporation	√	√	X	X	X
27	State Pharmaceuticals and Manufacturing Corporation	√	√	√	√	X
28	SL Ayurvedic Drugs Corporation	√	√	√	X	X
29	State Pharmaceuticals Corporation	√	√	√	X	X
30	Sri Jayawardenapura General hospital	√	√	√	X	X
31	Independent Television Network Ltd	√	√	√	√	√
32	SL Rupavahini Corporation	√	√	√	X	X
33	Sri Lanka Broadcasting Corporation	√	X	X	X	X
34	Ceylon Fertilizer Company Ltd	√	√	√	√	√
35	Colombo Commercial Fertilizer Company Ltd	√	√	√	√	X
36	State Timber Corporation	√	√	√	√	X
37	STC General Trading Company	√	√	X	X	X
38	Hotel Developers Lanka PLC	√	√	√	√	√
39	Lanka Sugar Company Ltd	-	-	√	X	X
40	Lanka Sathosa Ltd	X	X	X	X	X
41	Development Lotteries Board	√	√	√	√	√
42	National Lotteries Board	√	√	√	√	√
43	Lanka Mineral Sands Ltd	√	√	√	√	√
44	Lanka Phosphate Ltd	√	√	√	√	√
45	State Printing Corporation	√	√	X	X	X
46	Sri Lanka Export Credit Insurance Corporation	√	√	X	X	X
47	Agriculture and Agrarian Insurance Board	√	√	X	X	X
48	Sri Lanka State Plantations Corporation	√	X	X	X	X
49	Kurunegala Plantations Ltd	√	√	√	√	√
50	Janatha Estates Development Board	X	X	X	X	X
51	Chilaw Plantations Ltd	√	√	√	√	X
52	Kalubovitiyana Tea Factory Ltd	√	√	√	X	X
53	Sri Lanka Cashew Corporation	√	√	√	X	X
54	Sri Lanka Handicraft Board	√	√	√	√	X
55	Kahatagaha Graphite Lanka Ltd	√	√	√	X	X

Sources: Department of Public Enterprises

**Table 04 : Levy and Dividend Income Collected from SOEs**

(Rs. mn)

Description	2011	2012	2013	2014	2015	2016
<b>Levy</b>	<b>28,629</b>	<b>31,514</b>	<b>30,400</b>	<b>42,137</b>	<b>26,118</b>	<b>92,338</b>
National Savings Bank	4,500	8,200	5,000	4,000	2,800	12,026
Bank of Ceylon	4,000	5,000	5,000	6,500	5,000	18,000
Peoples Bank	4,500	4,500	4,500	6,000	3,000	8,000
Telecommunication Regulatory Commission	9,050	7,200	10,100	10,000	10,000	28,000
Ceylon Petroleum Corporation				10,000		10,000
State Mortgage & Investments Bank	-	25	40	10	10	10
Regional Development Bank	-	500	500	-	87	88
State Timber Corporation	75	50	50	25	50	175
State Pharmaceuticals Manufacturing Corporation	59	20	20	25	30	65
National Insurance Trust Fund	3,495	4,200	3,200	4,000	3,000	2,500
Geological Survey and Mines Bureau	740	750	700	650	850	900
National Gem and Jewellery Authority	-	-	100	-	75	175
Sri Lanka Convention Bureau	-	12	-	-	-	-
Sri Lanka Rupawahini Corporation	-	5	-	2	-	-
Ceylon Electricity Board	2,000	-	-	-	-	8,000
Board of Investment	210	200	-	100	141	115
National Lotteries Board	-	502	500	-	50	550
Securities and Exchange Commission	-	-	94	-	-	-
Insurance Board of Sri Lanka	-	-	300	-	-	-
Sri Lanka Standard Institution	-	-	20	-	-	-
Sri Lanka Export Credit Insurance Corporation	-	-	25	-	-	25
National Livestock and Development Board,	-	-	1	-	-	-
Central Engineering Consultancy Bureau	-	-	-	-	25	25
Sri Lank Tourism promotion Bureau	-	-	-	500	500	1,500
Civil Aviation Authority	-	350	200	250	400	768
State Pharmaceutical Corporation	-	-	50	75	100	216
National Transport Medical Institute	-	-	-	-	-	200
Sri Lanka Bureau of Foreign Employment	-	-	-	-	-	1,000
<b>Dividends</b>	<b>5,722</b>	<b>4,548</b>	<b>4,770</b>	<b>4,664</b>	<b>3,678</b>	<b>15,821</b>
National Savings Bank	60	60	60	60	60	60
Bank of Ceylon	20	346	346	346	346	346
People's Bank	-	158	316	316	316	316
Lankaputhra Development Bank	6	18	36	36	36	36
National Development Bank	2	4	10	6	5	2
Sri Lanka Insurance Corporation Ltd	1,750	1,001	2,199	2,001	1,003	11,857

<b>Description</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Ceylon Shipping Corporation			10			
Airport and Aviation Services Ltd	2,406	-	500	500	497	1,500
Lanka Mineral Sands Ltd	500	1,700	-	43	14	-
Lanka Phosphate Ltd	20	40	25	35	30	-
Independence Television Network Ltd	49	88	50	125	84	-
Lanka Leyland Ltd	35	5	97	11	54	34
Rakna Arakshaka Lanka Ltd	-	10	17	68	93	-
Manthai Salt Ltd	-	-	-	1	-	-
Ceylon Fertilizer Ltd	12	4	9	38	54	116
Colombo Commercial Fertilizer Ltd	-	8	10	12	10	25
Paranthan Chemicals Company Ltd	2	3	-	10	5	-
Kahatagaha Graphite Lanka Ltd	-	-	4	1	-	-
STC General Trading Company	-	-	-	-	-	5
Sri Lanka Telecom PLC	536	759	760	759	795	795
De La Rue Lanka Ltd	68	42	44	49	61	62
Lanka Electricity Company Ltd	-	75	75	25	87	152
Lanka Industrial Estates Ltd	31	47	55	55	55	47
Skills Development Fund	-	-	2	-	2	-
Ceylon Agro Industries	-	-	6	7	6	12
Lanka Sugar Company Ltd	-	-	-	80	-	-
Asien Reinsurance Corporation	6	-	-	-	-	-
Lanka Logistics Limited	-	-	-	2	2	5
Ceylon Petroleum Storage Terminals Ltd	-	-	-	-	-	438
Plantation Companies*	219	179	139	80	62	10
Others**	-	1	-	-	1	3
<b>Total</b>	<b>34,351</b>	<b>36,062</b>	<b>35,170</b>	<b>46,801</b>	<b>29,796</b>	<b>108,159</b>

Sources: Department of Treasury Operations and Department of Public enterprises

\* includes Kurunegala, Kalubowitiyana, Chilaw, Pussellawa, Kotagala, Namunuluka, Elpitiya

\*\*includes, , Carsons Management, Lanka Canneries, United motors Lanka Ltd, Bogala Graphite Lanka ltd, Autogrill Lanka Ltd, Hunnasfalls Hotel, Lanka Hydraulic

**Table 05 : Budgetary Support given to SOEs under the Purview of PED**

Order	Institute	Rs. Mn			
		2015		2016	
		Recurrent	Capital	Recurrent	Capital
1	Agriculture and Agrarian Insurance Board	2,276	4	2,690	4
2	Ceylon Electricity Board	-	11,527		
3	Ceylon Petroleum Corporation	-	24,987		
4	National Water Supply and Drainage Board		39,804		
5	Sri Lanka Transport Board	11,419	2,301	14,937	1,800
6	State Engineering Corporation of Sri Lanka	250	-	75	
7	Sri Lanka Cashew Corporation	66	35	48	40
8	Sri Jayawardenapura General hospital	920	266	1300	725
9	Sri Lanka Rupavahini Corporation				
10	Sri Lanka Broadcasting Corporation	350	230	365	185
11	Sri Lanka Handicrafts Board				
12	Ceylon Fisheries Corporation	104		78	389
13	Ceylon Fishery Harbor Corporation	395	110	475	145
<b>Total</b>		<b>11,179</b>	<b>15,780</b>	<b>19,968</b>	<b>3,288</b>

Source: Department of Public Enterprises

**Table 06 : Financial Outturn for 55 SOBEs as at 31/12/2016**

Rs.mn

Order	Enterprises	Revenue		Profit /loss before Tax		Total Assets		Total liabilities		Debt to Banks		Equity		Treasury Guarantees	
		2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
01	<b>Banking &amp; Finance</b>	<b>358,340</b>	<b>413,546</b>	<b>80,086</b>	<b>84,035</b>	<b>3,968,951</b>	<b>4,130,685</b>	<b>3,559,372</b>	<b>3,904,171</b>	<b>169,164</b>	<b>121,979</b>	<b>181,697</b>	<b>209,779</b>	-	-
1	Bank of Ceylon	132,349	156,368	25,109	31635	1,561,321	1,665,090	1,477,353	1,576,442	2,630	2,040	81,484	92,849	-	-
2	Peoples Bank	104,011	120,275	19,497	19399	1,137,634	1,074,389	1,088,459	1,242,399	149,923	106,924	49,494	59,649	-	-
3	National Savings Bank	79,282	87,329	13,034	13251	847,079	911,661	815,655	879,458	75	115	32,423	32,245	-	-
4	SMIB	4,014	4,345	731	460	34,269	35,306	29,991	30,398	596	503	4,263	4,908	-	-
5	HDFC	4,915	5,906	972	636	41,417	45,595	38,045	41,855	1,283	1,661	3,364	3,740	-	-
6	Lankaputhra Dev. Bank	657	733	204	255	8,440	8,669	3,714	3,632	2,607	2,806	-	5,037	-	-
7	RDB	12,510	15,646	2,112	2089	107,524	131,162	101,203	125,147	11,994	7,915	6,014	6,218	-	-
8	Sri Lanka Savings Bank	725	874	332	464	8,787	9,251	4,353	4,367	56	15	4,433	4,884	-	-
9	Employment Trust Fund Board	19,877	22,070	18,095	15846	222,480	249,562	599	473	-	-	222	249	-	-
02	<b>Insurance</b>	<b>41,903</b>	<b>53,341</b>	<b>7,434</b>	<b>12,835</b>	<b>185,830</b>	<b>192,227</b>	<b>170,434</b>	<b>198,014</b>	-	-	<b>10,725</b>	<b>2,408</b>	-	-
1	SLIC	29,818	42,050	3,017	9903	168,185	166,947	101,658	117,529	-	-	63,784	59,526	-	-
2	NITF	8,190	10,118	4,449	6000	12,503	19,498	3,578	11,637	-	-	8,654	8,439	-	-
3	SLECIC	245	377	224	193	2,171	2,377	192	224	-	-	1,978	2,153	-	-
4	Agricultural & Agrarian Insurance Board	3,650	796	-256	(3261)	2,971	3,405	65,006	68,624	-	-	(63,691)	(67,710)	-	-
03	<b>Energy</b>	<b>575,097</b>	<b>635,318</b>	<b>2,336</b>	<b>56,804</b>	<b>981,514</b>	<b>1,004,291</b>	<b>347,923</b>	<b>391,728</b>	<b>395,918</b>	<b>341,984</b>	<b>428,315</b>	<b>411,736</b>	<b>3,500</b>	<b>17,550</b>
1	CEB	198,363	212,184	20,720	-12,816	782,320	803,227	347,499	391,342	41,824	33,468	428,209	411,921	1,700	15,750
2	Ceylon Petroleum Corporation	376,734	423,134	-18,384	69,620	199,194	201,064	424	386	354,094	308,516	106	(185)	1,800	1,800



Order	Enterprises	Revenue		Profit /loss before Tax		Total Assets		Total liabilities		Debt to Banks		Equity		Treasury Guarantees	
		2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
04	<b>Ports</b>	<b>41,437</b>	<b>43,743</b>	<b>-9,575</b>	<b>2,212</b>	<b>337,267</b>	<b>332,771</b>	<b>263,464</b>	<b>258,392</b>	<b>233,148</b>	<b>237,189</b>	<b>73,803</b>	<b>74,379</b>	-	-
1	Sri Lanka Ports Authority	41,437	43,743	-9,575	2,212	337,267	332,771	263,464	258,392	233,148	237,189	73,803	74,379	-	-
05	<b>Water</b>	<b>19,584</b>	<b>23,585</b>	<b>1,030</b>	<b>835</b>	<b>332,111</b>	<b>383,820</b>	<b>23,400</b>	<b>49,690</b>	<b>9,412</b>	<b>35,128</b>	<b>308,381</b>	<b>334,129</b>	-	-
1	NWS&DB	19,584	23,585	1,030	835	332,111	383,820	23,400	49,690	9,412	35,128	308,381	334,129	-	-
06	<b>Aviation</b>	<b>161,348</b>	<b>161,492</b>	<b>-15,191</b>	<b>-17,297</b>	<b>126,028</b>	<b>128,592</b>	<b>188,789</b>	<b>155,848</b>	<b>103,960</b>	<b>108,650</b>	<b>9,411</b>	<b>101,310</b>	<b>14,939</b>	<b>21,520</b>
1	AASL	16,220	20,309	2,725	4,762	64,286	70,870	53,048	54,543	37,730	37,679	11,012	16,326	14,939	21,520
2	Sri Lankan Airlines Ltd	134,560	129,481	-16,433	(20,863)	54,039	50,376	135,145	100,262	76,065	67,599	-	87,781	-	-
3	Mihin Lanka Ltd	10,568	11,702	-1,483	(1,196)	7,703	7,346	596	1,043	165	-	(1,601)	(2,797)	-	-
07	<b>Commuter Transport</b>	<b>34,447</b>	<b>35,738</b>	<b>-4,038</b>	<b>-3,617</b>	<b>26,997</b>	<b>26,878</b>	<b>53,180</b>	<b>53,180</b>	<b>3,395</b>	<b>-</b>	<b>(26,183)</b>	<b>(28,567)</b>	-	-
1	Sri Lanka Transport Board	34,447	35,738	-4,038	-3,617	26,997	26,878	53,180	53,180	3,395	-	(26,183)	(28,567)	-	-
08	<b>Construction</b>	<b>17,160</b>	<b>17,941</b>	<b>14</b>	<b>-111</b>	<b>40,908</b>	<b>38,881</b>	<b>23,258</b>	<b>22,910</b>	<b>1,081</b>	<b>1,210</b>	<b>14,465</b>	<b>14,289</b>	<b>400</b>	<b>650</b>
1	State Engineering Corporation of Sri Lanka	3,852	2,389	-586	(638)	19,459	16,907	8,909	8,559	431	560	7,924	7,221	-	250
2	CECB	10,768	11,839	520	499	17,173	18,017	11,683	11,946	-	-	4,748	5,247	-	-
3	State Development and Construction Corporation	2,540	3,713	80	28	4,276	3,957	2,666	2,405	650	650	1,793	1,821	400	400
09	<b>Livestock</b>	<b>9,592</b>	<b>11,666</b>	<b>-211</b>	<b>266</b>	<b>10,999</b>	<b>21,669</b>	<b>17,679</b>	<b>18,446</b>	<b>1,529</b>	<b>1,185</b>	<b>3,086</b>	<b>3,221</b>	<b>60</b>	<b>25</b>
1	Milco Ltd	7,715	8,964	-250	274	4,298	14,567	12,191	12,506	668	688	1,944	2,061	-	-
2	NLDB	1,877	2,702	39	(8)	6,701	7,102	5,488	5,940	861	497	1,142	1,160	60	25
10	<b>Plantation</b>	<b>2,820</b>	<b>2,503</b>	<b>-302</b>	<b>-356</b>	<b>13,030</b>	<b>6,923</b>	<b>5,130</b>	<b>3,193</b>	<b>124</b>	<b>154</b>	<b>6,874</b>	<b>3,773</b>	-	-
1	SLSPC	472	483	-168	(134)	6,315	0	1,209	-	83	154	4,694	-	-	-

Department of Public Enterprises - Performance Report 2016

Order	Enterprises	Revenue		Profit /loss before Tax		Total Assets		Total liabilities		Debt to Banks		Equity		Treasury Guarantees	
		2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
2	JEDB	553	415	-401	(404)	2,818	2,827	3,184	2,242	-	76	(366)	585	-	-
3	Kurunegala Plantations Ltd	492	472	147	132	1,898	1,989	375	357	-	-	1,523	1,676	-	-
4	Chilaw Plantations Ltd	477	383	86	69	1,111	1,241	288	350	-	-	823	890	-	-
5	Kalubovitiyana Tea Factory Ltd	751	660	17	33	615	631	-	181	-	-	-	450	-	-
6	Sri Lanka Cashew Corporation	75	90	17	(52)	273	235	74	63	-	-	200	172	-	-
<b>11</b>	<b>Non Renewable Resources</b>	<b>2325</b>	<b>1992</b>	<b>580</b>	<b>208</b>	<b>4018</b>	<b>3814</b>	<b>621</b>	<b>653</b>	<b>-</b>	<b>115</b>	<b>3,572</b>	<b>3,884</b>	<b>-</b>	<b>-</b>
1	Lanka Mineral Sands Ltd	1,823	1,327	509	209	2,779	2,600	489	514	-	-	2,276	2,823	-	-
2	Lanka Phosphate Ltd	427	555	59	(14)	864	846	100	103	-	100	960	726	-	-
3	Kahatagaha Graphite Lanka Ltd	75	110	12	13	375	368	32	36	-	15	336	335	-	-
<b>12</b>	<b>Lotteries</b>	<b>26,494</b>	<b>36,683</b>	<b>3,261</b>	<b>3,247</b>	<b>5,177</b>	<b>6,912</b>	<b>4,908</b>	<b>5,242</b>	<b>-</b>	<b>-</b>	<b>2,661</b>	<b>3,570</b>	<b>-</b>	<b>-</b>
1	Development Lotteries Board	9,833	16,513	2,390	2833	1,950	1,950	1,012	1,950	-	-	881	1,670	-	-
2	National Lotteries Board	16,661	20,170	871	414	3,227	4,962	3,896	3,292	-	-	1,780	1,900	-	-
<b>13</b>	<b>Health</b>	<b>29,520</b>	<b>36,268</b>	<b>1,443</b>	<b>2,375</b>	<b>14,982</b>	<b>15,117</b>	<b>5,581</b>	<b>5,347</b>	<b>105</b>	<b>91</b>	<b>7,324</b>	<b>9,672</b>	<b>-</b>	<b>-</b>
1	SPMC	2,111	2,549	414	262	2,701	2,902	402	343	-	-	-	2,560	-	-
2	SL Ayurvedic Drugs Corporation	527	526	49	18	961	850	296	850	49	52	652	864	-	-
3	SPC	24,467	32,303	1,230	1,677	9,184	9,556	4,036	3,430	56	39	5,604	6,125	-	-
4	Sri Jayawardenapura General hospital	2,415	890	-250	418	2,136	1,809	847	724	-	-	1,068	123	-	-
<b>14</b>	<b>Media</b>	<b>5,694</b>	<b>4,997</b>	<b>164</b>	<b>-238</b>	<b>8,782</b>	<b>9,375</b>	<b>4,568</b>	<b>3,225</b>	<b>195</b>	<b>310</b>	<b>4,548</b>	<b>4,169</b>	<b>-</b>	<b>-</b>
1	Independence Television Network Ltd	2,589	1,885	477	-162	3,563	4,605	717	1,603	-	-	3,181	3,003	-	-
2	SL Rupavahini Corporation	2,147	2,115	-375	-160	1,985	1,881	765	962	195	310	1,113	919	-	-

Order	Enterprises	Revenue		Profit /loss before Tax		Total Assets		Total liabilities		Debt to Banks		Equity		Treasury Guarantees	
		2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
3	Sri Lanka Broadcasting Corporation	958	997	62	84	3,234	2,889	3,086	660	-	-	254	247	-	-
15	<b>Marketing &amp; Distribution</b>	<b>53,323</b>	<b>58,002</b>	<b>-2,769</b>	<b>-1,940</b>	<b>108,877</b>	<b>136,817</b>	<b>86,335</b>	<b>95,473</b>	<b>44,525</b>	<b>35,483</b>	<b>35,265</b>	<b>34,345</b>	-	-
1	Sri Lanka Handicraft Board	836	787	9	4	1,910	1,857	596	415	673	592	577	590	-	-
2	State Timber Corporation	3,836	4,413	795	531	5,872	2,859	1,898	1,393	581	582	3,973	3,985	-	-
3	STC General Trading Company Ltd	2,159	2,949	19	26	2,519	2,687	1,980	2,197	-	-	708	735	-	-
4	Lanka Sathosa Ltd	28,921	29,180	-3,647	(4805)	8,718	35,406	14,639	37,888	-	-	1,973	(2,480)	-	-
5	State Printing Corporation	1,329	1,477	3	10	1,334	1,352	992	1,046	-	-	306	342	-	-
6	Ceylon Fisheries Corporation	1,933	2,775	187	(161)	2,107	2,132	1,070	1,070	-	-	1,086	1,093	-	-
7	Ceylon Fishery Harbours Corporation	910	478	(60)	(113)	11,405	4,712	4,224	521	36	0.2	7,181	4,955	-	-
8	Ceylon Fertilizer Company Ltd	3,978	3,835	411	713	44,550	44,550	40,344	31,875	31,310	27,481	4,205	4,728	-	-
9	Colombo Commercial Fertilizer Company Ltd	1,566	1,839	436	147	18,752	18,752	17,116	15,335	12,483	7,747	1,636	1,792	-	-
10	Hotel Developers Lanka PLC	2,929	2,540	433	605	5,038	14,949	794	1,135	-	-	13,620	13,636	-	-
11	Lanka Sugar Company (Pvt) Ltd	4,926	7,729	-981	1103	6,672	7,561	2,682	2,598	23	14	3925	4,969	-	-
	<b>Grand Total</b>	<b>1,379,084</b>	<b>1,536,815</b>	<b>64,262</b>	<b>139,258</b>	<b>6,165,471</b>	<b>6,438,772</b>	<b>4,754,642</b>	<b>5,165,512</b>	<b>397,474</b>	<b>419,515</b>	<b>1,067,869</b>	<b>1,182,097</b>	<b>18,899</b>	<b>39,745</b>

Source: Department of Public Enterprises