



CNCI NEWS BULLETIN

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Sri Lanka Budget 2018: Revenue Proposals at a Glance

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Sri Lanka is expecting 110 billion rupees through the revenue proposals presented to Parliament in the budget proposals of 2018.

These revenue proposals include motor vehicles excise duty and luxury tax revisions, duty revisions on VAT & NBT and Debt Repayment Levy. Department of Fiscal Policy, however, said revenue impact of budget proposals which will be implemented in November 2017 is already taken into revenue estimates submitted along with budget estimates 2018.

According to the bill tabled by State Minister of Finance Eran Wickremaratne the budgeted expenditure and expected revenue details are as follows;

Total state expenditure – Rs. 3,982 Billion

The total expenditure for 2018 has increased by 46% (Rs. 1,259 billion) in comparison with the budget report for 2017.

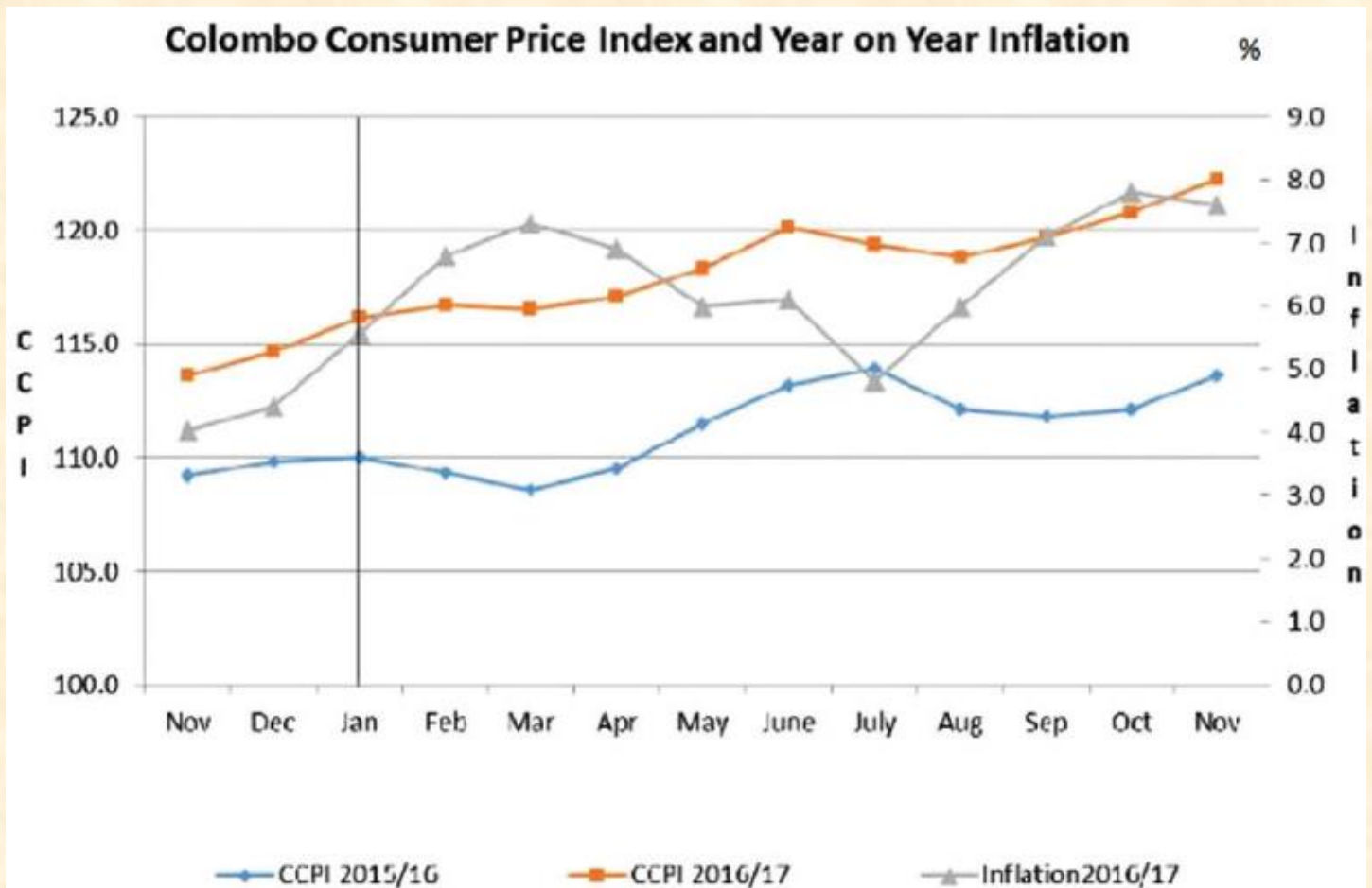
Total state revenue – Rs. 2,175 Billion

This amount will result in the government having to seek external and domestic loans to the tune of Rs. 1,807 Billion to cover the budget deficit.

Proposals	Rs. Million
1 Duty revisions on liquor	10,000
2 Motor vehicles excise duty and luxury tax revisions	25,000
3 Cess Levy, Special Commodity Levy & Ports and Airports Development Levy revisions	(5,000)
4 Sugar tax on sweetened beverages	5,000
5 Excise duty on Non-potable alcohol and raw material used for ethanol production	3,000
6 Excise duty on plastic resin	2,000
7 Duty revisions on VAT and NBT	25,000
8 Cellular Tower Levy & SMS-Advertising Levy	15,000
9 Debt Repayment Levy	20,000
10 Carbon Tax motor vehicles	2,500
11 Revision of Fees & Charges	7,500
Total	110,000

Source: Lanka Business Online

November Records 7.6% Inflation



The YoY inflation as measured by Colombo Consumer Price Index (CCPI) in November was at 7.6% while the inflation calculated for October was 7.8%.

YoY inflation of Food Group has increased from 12.6% in October 2017 to 13.8% in November 2017 and that of Non-food Group has decreased from 5.8% to 5% during this period.

For the month of November 2017, on year to year basis, contribution to inflation by food commodities was 4.05%. The contribution of Non Food items was 3.56%.

The contribution of Non Food items was 3.56%. This was mainly due to increases in value change in groups of 'Education' (0.86%), 'Health' (0.51%), 'Restaurants & Hotels' (0.70%), 'Transport' (0.36%), 'Miscellaneous

Goods and Services' (0.45%), 'Furnishing Household Equipment's & Routine Household Maintenance' (0.34%), 'Alcoholic Beverages Tobacco and Narcotic' (0.03%), 'Clothing and Footwear' (0.16%), 'Communication' (0.08%) and 'Housing, Water, Electricity, Gas and Other Fuels' (0.07%) . The group of 'Recreation & Culture' showed an insignificant value change. Meanwhile the moving average inflation rate for the month of November 2017 was 6.4%.The corresponding rate for the month of October was 6.1%.

Kelani Cables wins World Class award for Global Performance Excellence



From left: Mr. Harnek Singh -President APQO, Mr. Upul Mahanama -GM operations Kelani Cables, Ms. Shyama Perera – Manager Technical Operations Kelani Cables, Dr. Charles Aubrey – Chairman of APQO and the Global Performance Excellence Award Executive Committee, Mr. Mahinda Saranapala – CEO Kelani Cables, Mr. Abraham Fenn – President (Elect) APQO.

Kelani Cables was awarded the World Class Award (Highest) in the large manufacturing category at the Global Performance Excellence Awards 2017. The award ceremony was held on October 22nd at Okada Manila, Philippines. Asia Pacific Quality Organization organizes the Global Performance Excellence Awards every year to recognize the best performing business organizations in the Asia & Pacific Rim region. Kelani Cables was the only electric cable manufacturer to win at GPEA 2017. Organizations who win National Quality Award in their respective country are eligible to participate to GPEA. Kelani Cables won the Sri Lanka national quality award in 2016.

Source: Kelani Cables Website



ITN FM



Educational Program / Seminars/ Exhibitions

Date	Name	Venue	Organized By
9th December 2017	International Conference on Biodiversity and Conservation	Randiya Hotels, Moratuwa	ASAR
9th December 2017	International Conference on Researches in Science and Technology	Kandy	SAIRAP
14th-15th Dec, 2017	International Conference on Economics and Business Management	Hilton Colombo	WRF
16th December 2017	Global Solar Energy Summit	Hilton Colombo,	ASAR
15th- 16th December 2017	International Conference Energy & Meteorology	Amaya Hills Resort , Kandy	IITER
8th December 2017	11th International Conference on Software, Knowledge, Information Management & Applications	SLIIT , Malabe	SKIMA
5th- 6th December 2017	International Conference on Poverty and Sustainable Development	Movenpick Hotel Colombo	The International Institute of Knowledge Management



Three Things Business Leaders Can Learn From Web Developers

1. Never be off by one

The lesson for business leaders is that getting something wrong, even if you're extremely close to getting it right, can still have devastating consequences. Imagine, for example, that you run a Chicago-based tech company, and the *New York Times* asks to interview your CEO at 3:00 p.m. EST. If you get on the call at 3:00 p.m. CST, you would've missed the appointment by only an hour, but you'd have missed it all the same. Of course, business leaders are more likely to get thrown off by far more subtle strategic blunders than simple scheduling gaffes, but the point is to illustrate how missing the mark even a little still counts as a miss.

2. Be redundants

Programmers like to hedge their bets. If something goes wrong, there are often checks in place to keep things running smoothly. These types of redundancies are little things that developers introduce deliberately with an eye on the big picture, so that the functioning of the program doesn't rely on a single command. That's more than just prudence—it's prudence that informs system wide thinking. There are those who claim that various tiers of review and approval can stymie innovation—and in some cases, they're right.

3. Fix Broken Links

For business leaders, a broken link could be any process that doesn't lead to its intended outcome—the same way a broken product link on a website causes a 404 error. Sometimes clients try to email former employees. Or two department heads aren't communicating well. A great boss should identify these broken links proactively by going right to their source, working out a resolution, and looping everyone in once it's been fixed.

Source: Fastcompany



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Recruitment Interviewing in Sri Lanka: Problems and Prospects



When you hire people who are smarter than you, you prove that you are smarter than they are', so said Robert Henry Grant. Hiring the right person to the right job is important in order to achieve right results. The old adage 'people are your most important asset' is not always accurate, says Jim Collins.

He claims that rather than "people", it is the "right people" that make up the best asset of an organization. Crucial challenge is how. According to the United States Department of Labour, a bad hiring decision equals 30% of the employee's first year's earning potential.

It is pertinent to mention what David Ogilvy, as an advertising tycoon, had to say with respect to hiring: "If each of us hires people who are smaller than we are, we shall become a company of dwarfs, but if each of us hires people who are bigger than we are, we will become a company of giants." In order to hire people with potential, the hiring process has to be professionally designed and executed. "My company's assets walk out of the door every evening," said Narayan Murthy, the founder of Infosys. With such a great emphasis on human capital, it is critical for every organization to resort to means that offer quality recruitment solutions at competitive costs. This is where the realm of hiring starts. If you compare hiring to a process, there are three key elements, namely, 'recruitment', 'selection' and 'placement'. Recruitment is the way in which an organization tries to attract the people from whom it will ultimately make a selection. Placement is the final step of assigning a suitable job to the selected candidate. An interview can be regarded as a critical step in the selection process. It is in fact a conversation between two or more people (the interviewer and the interviewee) where questions are asked by the interviewer to obtain information from the interviewee. Effective interviews provide an additional basis for comparing candidates, supplementing information gleaned from the applicant questionnaire and investigation.

Interviewers need to do three things in an effective interview, viz, define, discover and decide. They should know clearly what they are looking for in the ideal candidate. Then they need to check whether those attributes are present in the candidates. Finally comes the decision. The above process can be further elaborated by referring to its stages. They include: Identify: Defining the requirements, Specify: Developing the person specifications and Codify: designing the ways of testing the required specifications. In doing the above, job analysis is a vital exercise that need to be performed. An interview can be regarded as a critical step in the selection process. It is in fact a conversation between two or more people (the interviewer and the interviewee) where questions are asked by the interviewer to obtain information from the interviewee.

Continue..

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There can be many issues associated with the interviewing process. Let me summarize them as five "I"s, namely, inability, inconsistency, irrelevance, irrationality and interference. Let's discuss these in relation to Sri Lankan organizations. Inability is obvious when the top-most people just rush through the interview without any flair for the process. The danger is that the leader's decision may be the final decision despite the concerns by others. Inconsistency is very common in Sri Lanka where connections are considered more important than competencies by some leaders. You pick your favorite despite the competency gaps, leaving more deserving candidates.

Irrelevance is one headache at some interviews where the interviewing panel gets carried away with irrelevant details missing out vital facts and critical aspects. A smart candidate can manipulate such a situation if the panelists go on a tangent focusing only on one area.

Irrationality is also common among some leaders where they look for the perfect candidate without willing to pay the asking rate. It is an illusion to attempt to get the best in the market whilst being reluctant to reward. Also there are the situations where you pick a candidate similar to your appearance or coming from your college or village without any rational justification.

Interference is rampant in Sri Lankan organizations. Particularly where a clear and coherent policy framework is absent. There will be outside influence to the interview panel through a prior message from a powerful person at the top to intentionally pick a particular preferred candidate irrespective of his/her competencies. The panel in this case becomes a cat's paw of someone else.

It remains to be seen whether the impact of above "I"s can be minimized in the context of Sri Lankan organizations. Interviewing is an art and a science. One needs to have expertise as well as experience in successfully handling recruitment interviews.

Source : Daily FT



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Exchange Rates as 04th November 2017

Currency	Buying Rate (Rs.)	Selling Rate (Rs.)
Dollar (USA)	151.5500	155.3500
Pound (UK)	203.4700	210.3000
Euro (EU)	178.8500	185.5300
Franc (Switzerland)	153.2600	159.4000
Dollar (Canada)	118.4600	123.1200
Dollar (Australia)	114.1900	119.4000
Dollar (Singapore)	111.9100	115.9800
Yen (Japan)	1.3380	1.3885
Renminbi (China)	22.6600	23.7800

Economic Indicator: 2017 November

Major Group*	Index Number			Monthly Changes of the Expenditure Values(Rs.)			Monthly Changes Of the Index (%)		
	Nov.	Oct.	Nov.	Nov.	Oct.	Nov.	Nov.	Oct.	Nov.
	2016	2017	2017	2016	2017	2017	2016	2017	2017
All Items	113.6	120.8	122.2	880.86	705.21	848.16	1.30	0.98	1.16
Food and Non Alcoholic Beverages	117.7	131.7	134.0	113.49	568.27	380.73	0.17	0.79	0.52
Non Food	112.0	116.6	117.6	767.37	136.93	467.44	1.13	0.19	0.64
Alcoholic beverages Tobacco and Narcotic	184.5	185.8	187.7	158.88	0.72	11.85	0.23	0.00	0.02
Health	140.0	143.0	153.0	289.66	0.00	267.09	0.43	0.00	0.37
Transport	94.0	97.9	97.8	10.86	0.00	-7.13	0.02	0.00	-0.01
Restaurant and Hotels	108.1	119.1	123.6	0.00	112.65	139.81	0.00	0.16	0.19
Miscellaneous Goods and Services	122.4	135.2	137.9	7.36	0.00	53.14	0.01	0.00	0.07
Other	111.6	115.2	115.2	300.61	23.57	2.67	0.44	0.03	0.00

Central Bank of Sri Lanka