



# CNCI NEWS BULLETIN

The Ceylon National Chamber of Industries - CNCI

Apt 20, 1<sup>st</sup> Floor, Galle face Court 02, Colombo 03

TP : 2452181 / 2339200/ 2331444 | Fax: 0094 112331443 | email :cnci@slt.lk | po@cnci.lk

Web: www.cnci.lk

- ◆ Mr. Raja Hewabowala  
Chairman
- ◆ Mr. Tissa Seneviratne  
Immediate Past Chairman
- ◆ Mr. Ruwan Edirisinghe  
Deputy Chairman
- ◆ Mr. Canisius Fernando  
Vice Chairman
- ◆ Mr. Kevin Edwards  
Vice Chairman
- ◆ Mr. Wasantha Araiyaatilake  
Vice Chairman
- ◆ Mr. Pradeep Kahawalage  
Vice Chairman
- ◆ Mr. Sujan Lakmal  
Hony. Treasurer
- ◆ Mr. Abeyratne Muthugala  
Secretary General

## Inside This Issue

- ◆ PAGE 01- New CNCI Chairman
- ◆ PAGE 02 -New CNCI Chairman
- ◆ PAGE 03-Janashakthi Insurance Growth
- ◆ PAGE 04- Stock Market Performance
- ◆ PAGE 05-Seminar on new IR Act 2017
- ◆ PAGE 06 -How to Improve Accountability
- ◆ PAGE 07 -Economic Indicators

## MR. RAJA HEWABOWALA IS THE NEW CNCI CHAIRMAN

The Ceylon National Chamber of Industries (CNCI) had its 56<sup>th</sup> Annual General Meeting (AGM) on 18<sup>th</sup> September 2017 at Ramada Hotel, Colombo. The Chief Guest was Mr. Chinthaka S Lokuhetti, Secretary, Ministry of Industry and Commerce. Mr. Raja Hewabowala who was holding office of the Deputy Chairman was elected Chairman- CNCI at the AGM.

Mr Hewabowala has been graduated in Rubber and Polymer Chemistry at the University of Moratuwa. After completing his studies, he has joined a paint company as an employee from where he acquired the practical experience in paints and coatings industry. Later, he firmly decided to achieve his future aspirations on his own with great confidence, hard work and dedication.

In 1979 he started a company named Silicone Coatings with the brand name of "Nippolac" with three workers. Today, the "Nippolac" brand is one of the market leaders in the paint industry and Silicone Coatings (Pvt) Ltd is on a strategic partnership with 'Nippon Paint'. The company was recognized as Asia's No.1 Paint manufacturer in 2012.. Mr Hewabowala is also the Managing Director of Can-tec Printing & Packing (Pvt) Ltd, Speciality Construction Chemicals (Pvt) Ltd and Resin & polymer Technologies (Pvt) ltd

Continue..



*Mr. Tissa Seneviratne, the outgoing Chairman (right) congratulating the new Chairman Mr. Raja Hewabowala (left).*

On election as the Chairman of the Ceylon National Chamber of Industries- the pioneering chamber for industries in the country, Mr. Hewabowala said that being a national Chamber, we are responsible for representing the industrial sector and to take all possible measures to protect the local industries, encourage them and to assist them in developing their businesses. In this arena, the CNCI plays a number of significant roles; as a facilitator, as a mediator and as a consultant among many others. In today's business scenario, our industrialists do face not only the challenges of the competition, but also various other external threats which are, at times, beyond the control of the respective businesses. At the same time, they have important obligations related to society and the environment. He further mentioned that the Sri Lankan industry had to face many negative experiences, due to various reasons in our immediate past.

The thirty year war was a major drawback. Now with a peaceful atmosphere, a conducive backdrop has been created for industries. The government is focused in developing the private sector in the country. With all such supportive environment and the current business trends, he was of the view that the innovation and the high technology should be the strategic themes of today's industry. "We currently witness friendly foreign policies and the gaining of GSP Plus facilities and the government's encouraging of Foreign Direct Investors (FDIs) have become opportunities for the local industrialists, especially for emerging businesses. However, attraction of FDIs should be done in a manner that the local industries are not affected. In conclusion, Mr. Hewabowala highlighted that as an estimable National Chamber in the country, their real effort is to establish ethical business patterns and practices while facilitating a business friendly environment for all Sri Lankan industries.



## Janashakthi Insurance Records Growth of 12.4-pct Upto Sept



**Prakash Schaffter, Managing Director, Janashakthi Insurance**

Janashakthi Insurance PLC (Janashakthi) reported a consolidated Gross Written Premium (GWP) of 11.047 billion rupees for the nine months ended 30th September 2017, the company said in a statement. This is a growth of 12.4 percent over the same period last year. Posting a GWP of 8.9 billion rupees, the Non-Life or General Insurance segment continued to be the key driver of Janashakthi's growth, while the Life Insurance segment recorded a GWP of 2.1 billion rupees. The insurer says that ongoing restructuring of its Life Insurance business was set to drive higher returns in Q4 2017. Janashakthi posted these numbers despite the impact of a spike in Fire & Engineering and Medical claims during this period, as well as the kicking in of the full year adjustment for impairment of good will. The Company had disbursed Rs. 5.5 billion towards claims, posting an 11% YoY rise during the period under review. This further underscores Janashakthi's strong fundamentals as well as its steadfast commitment to standing by its policyholders during times of distress.

"I am pleased to report that we have been able to build on the momentum gained during the first half of the year and register double digit growth in premium sat the end of the third quarter. We have posted these numbers despite having witnessed a significant rise in claim settlements. This has been possible thanks to our strong fundamentals and prudent reinsurance structure. We look forward to ending the year on a high note while staying focused on growing the business exponentially and delivering greater value to all our stakeholders," said Prakash Schaffter, Managing Director of Janashakthi Insurance PLC. The Group's consolidated total assets stood at 35.8 billion rupees as of 30th September 2017, of which 24.5 billion rupees was held in the form of investments. The investments portfolio grew by 2.9 billion rupees during the nine months under review, with average yields exceeding 11%. This was the key driving force behind the 30 percent YoY growth in total other revenue, which came in at 2.242 billion rupees.

Source: Lanka Business Online



ITN FM



## Stock Market Continues Encouraging Performance In 2017



The Sri Lankan stock market has continued what has been an encouraging year in 2017, where both market indices continue to record positive returns. The Benchmark All Share Price Index (ASPI) has made a 2.78% gain in October alone and a 6.31% gain year-to-date, while the S&P SL 20 index, which features the CSE's 20 largest and most liquid stocks has also improved consistently, making a 5.74% gain in October and a 11.50% gain since the start of 2017.

The positive growth of the indices mark a reversal of the declining trend recorded in 2015 and 2016, during which the ASPI recorded a decline of 5.54% and 9.66% respectively. The performance of the market has also resulted in an improved involvement among investors, where the Daily Average Turnover is recorded at Rs. 943 million year-to-date, which is a 28% increase from Rs. 737 million in 2016.

The significant amount of capital raised via rights issues during the year presents another standout feature, with the figure of Rs. 37 billion raised as of end October recording the highest yearly figure since 2007.

This development continues to indicate the confidence placed by listed companies in the capital market when addressing their additional capital requirements.

The market has also continued to attract foreign investment throughout 2017, with Rs. 98 billion in foreign buying contributing to a net foreign inflow of Rs. 19.6 billion year-to-date, a figure that is substantial compared to foreign activity in 2015/16. 2017 also recorded an all-time high for foreign investor buying recorded in the first half of a calendar year.

An attractive market valuation (P/E), encouraging performance among listed entities and capital gains tax exemptions offered to share transactions are considered to be defining factors in attracting the level of foreign investor interest the market has witnessed so far in 2017.

In the midst of the growth of the indices and a number of other positives so far this year, the market continues to trade at a discount compared to regional peers and offers further opportunities for investors – with a market P/E recorded at 10.99 as of the end of October.

Source : The Sunday Leader

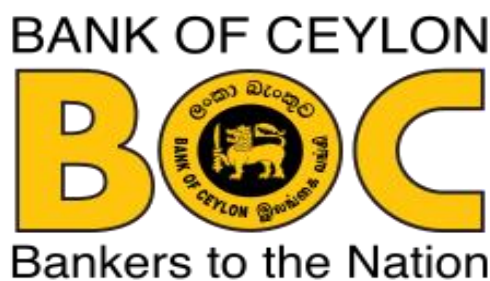




# CNCI Organized a Seminar on New IR Act 2017



The CNCI had organized a comprehensive half day seminar on new IR act 2017 which was conducted on 12th October 2017 from 1.00pm to 5.00pm at “ Mahaweli Centre, Ananda Kumaraswami Mawatha”, Colombo 07. Mr. Denzil Rodrigo (Chairman- Tax Committee of the CA Sri Lanka), Hiranthi Ratnayake (Alternate Chairperson- Tax Committee of the CA Sri Lanka), Athula Ranaweera (Member of the Tax Committee of the CA Sri Lanka) and a large number of participants from Manufacturing and service sector organizations including Managers, Executives and supervisors pertaining to the field in finance and non finance.



# How to Improve **Accountability** in the Workplace in 5 Steps

## 1. Have the Difficult Conversation

While holding employees accountable may sound confrontational, it doesn't have to be. Just remember to focus on the performance, not the person. Assume that most people genuinely want to do a good job and aren't being difficult on purpose. Start with a specific example: "John, I noticed that XX happened. What's your perspective of what went wrong here?"

Throughout your conversation, seek to understand why certain actions were taken or tasks were performed. Examples include: "Can you walk me through the process you followed here?" or "Did you experience a technical issue we need to fix?" or "Would it help if I sat in on your next meeting?"

## 2. Address the Poor Performance As Soon As Possible

Deal with the individual one-on-one and as quickly as possible. After all, nothing is likely to change unless you confront the problem. You also don't want your frustration to build to the breaking point or for an employee's non-performance to become a big issue. You need to figure out the why behind the poor performance. This is where you'll need to find a way to make your leadership style match the situation.

## 3. Consider Your Employees' Feelings

Start with the assumption that people sometimes don't understand the impact of their behavior. It's your job as supervisor to be kind, find the root cause of the problem and establish a mutual way forward. For example, Jasmine shows up late 30 minutes every day. After talking with her you've learned the reason is that she has to drop her child off at school before heading to work. In her previous position, her 8:30 start wasn't a problem, but in her new position, it is. First, explain why it's important for everyone to start at 8 a.m., then seek to help her address the situation. Jasmine either needs to change her schedule, or you need to let her work a flex schedule. Based on her position and your company's policies, you should be able to find a solution. Throughout your conversation, concentrate on maintaining the employee's self-esteem by showing concern for the individual as well as for the company's needs.

## 4. Set SMART Goals

When things are busy it may seem like a pain to stop and write down procedures, goals and policies. However, employees need to know what is expected of them in order to perform well and stay motivated. If you find a consistent lack of accountability in your team, it's likely you need to create some written SMART goals. SMART stands for: S – Specific, M –Measurable ,A –Attainable, R –Relevant, T –Timely, Developing SMART goals are a whole topic in itself, so there's much more to learn than what is mentioned here. Just know that this tactic leaves little to the imagination and provides clear communication between employee and supervisor.

## 5. Follow Through and Follow Up

After every conversation, write down what was said. You don't have to report every issue to HR, but it helps to send an email to yourself and the employee to outline the problem that was addressed, the solutions you both agreed upon and the expectations for future behavior. This helps clarify the conversation for everyone involved, and gives you a paper trail should additional action be necessary. Finally, follow up with John or Jasmine to see if they are performing as expected.

Source: Inspireity



**Sampath Bank**

WE PRESENT YOUR FUTURE



**People's Leasing & Finance PLC**  
(A Subsidiary of People's Bank)

## Exchange Rates 22<sup>nd</sup> November 2017

Currency	Buying Rate (Rs.)	Selling Rate (Rs.)
Dollar (USA)	151.7200	155.5200
Pound (UK)	200.2500	206.9900
Euro (EU)	177.0100	183.6500
Franc (Switzerland)	152.1000	158.1800
Dollar (Canada)	118.0800	122.7300
Dollar (Australia)	113.9000	118.9900
Dollar (Singapore)	111.5600	115.6200
Yen (Japan)	1.3446	1.3954
Renminbi (China)	22.6300	23.7400

## Economic Indicators - Latest Available

Economic Activity	2 <sup>nd</sup> Quarter - 2017 (a)				Contribution to	
	(Rs. Mn)		Growth rates (%)		Growth (%)	
	2016 (b)	2017	16/15 (b)	17/16	2016 (b)	2017
<b>Agriculture</b>	158,606	153,981	-5.7	-2.9	-19.5	-5.4
<b>Industry</b>	531,144	558,869	2.0	5.2	20.9	32.3
<b>Services</b>	1,271,838	1,329,429	3.6	4.5	88.7	67.2
<b>Taxes less subsidies on products</b>	164,261	169,333	3.1	3.1	9.9	5.9
<b>GDP</b>	<b>2,125,848</b>	<b>2,211,612</b>	<b>2.4</b>	<b>4</b>	<b>100</b>	<b>100</b>

Economic Activity	1 <sup>st</sup> Quarter - 2017 (a)				Contribution to	
	(Rs. Mn)		Growth rates (%)		Growth (%)	
	2016	2017	16/15	17/16	2016	2017
<b>Agriculture</b>	161,662	156,419	-0.2	-3.2	-0.3	-6.6
<b>Industry</b>	655,053	696,380	9.1	6.3	54.2	52.2
<b>Services</b>	1,167,216	1,207,488	3.7	3.5	40.7	50.9
<b>Taxes less subsidies on products</b>	98,614	101,448	5.9	2.9	5.4	3.6
<b>GDP</b>	<b>2,082,544</b>	<b>2,161,735</b>	<b>5.1</b>	<b>3.8</b>	<b>100</b>	<b>100</b>

Central Bank of Sri Lanka

