



# CNCI Congratulates The New President



**Mr. Ruwan Edirisinghe**  
Chairman Of the Ceylon National Chamber of Industries

**His Excellency Gotabaya Rajapaksa**  
President of the Democratic Socialist Republic of Sri Lanka

Ruwan Edirisinghe, Chairman of the Ceylon National Chamber of Industries (CNCI), along with its Executive Council, congratulates His Excellency Gotabaya Rajapaksa the new President of the Democratic Socialist Republic of Sri Lanka on his convincing and historic victory at the Presidential Election 2019.

The CNCI Chairman, while endorsing the core policies outlined in the SLPP manifesto, is hopeful that the new leadership will usher a triumphant era to the industrial and business sectors in the country. He continued that the Chamber is also happy to note the priority given for national security of the country which is the people’s expectation of the hour.

In a statement, Ruwan Edirisinghe mentioned that there are certain areas on which the local industrialists expect the urgent attention of the Government which are essential to the development of the industrial sector in the country. For instance, he highlighted that, at present the Ministry of Industry has been assigned with a number of contradicting responsibilities in its portfolio including Commerce & Trade.

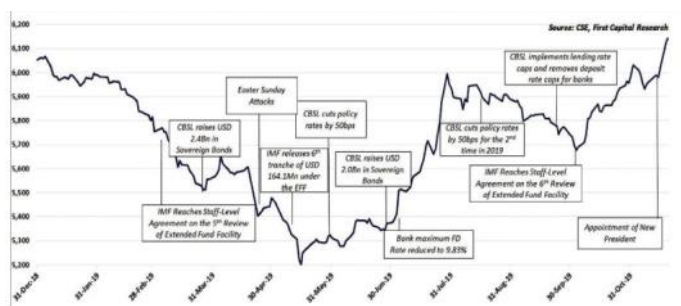
Further, along with the government’s continuous encouragement towards import based trade in the recent past, local industries have not received sufficient attention through the Ministry.

Thus, a dedicated Ministry for Industries will help the development of local industries. If the number of Ministries needs to be reduced, Ministry for Industries may be combined with Science & Technology.

We wish to submit our proposals to His Excellency the President in due course for the development of local industries.

The Chairman of CNCI finally said that the Chamber is ready to extend its fullest cooperation to the government in its dedicated service to the nation to achieve its economic and social development objectives, to make Sri Lanka a great country to live in for all, in peace and harmony as proud Sri Lankans being one nation in one country.

## Market continues upward trend



Market ended in green continuing the positive sentiment witnessed on the price gains made in COMB.N and CFIN, recording the highest close since August 9 2018.

“ASPI reached an intraday high of 6,181 within the first hour of trading followed by a downtrend, recording an intraday low of 6,122 and recovered to close at 6,143, gaining 13 points,” First Capital said.

The parcel trades made in CTC, MELS and SHL contributed 14% of the day’s turnover while a net foreign outflow was witnessed amidst low foreign participation.

In the secondary market, the positive sentiment continued for the second consecutive day after presidential election results with heavy buying interest witnessed across the yield curve from both local and foreign counterparties with high volumes.

The yield curve shifted downwards across the board while the benchmark 1-Yr was seen trading at day’s low of 8.30%

Source: Daily Ft - 22 November 2019



## Labour Dept. to introduce minimum retirement age for private sector employees

- A Cabinet paper in this regard to be forwarded after presidential election
- Most private firms don't include age of retirement in employment contract agreement
- A single employment law to address wages and condition of work while incorporating new dynamics of employment



Labour Department Commissioner  
General R.P.A. Wimalaweera

The Department of Labour plans to introduce a minimum retirement age for Sri Lanka's private sector employees after the presidential elections.

"I have already prepared a Cabinet paper to submit to the Cabinet following the presidential elections to determine minimum retirement age for private sector employees. However, it has to be discussed at National Labour Advisory Council," Labour Department Commissioner General R.P.A. Wimalaweera said.

He was speaking at a discussion forum themed 'Defying Retirement at 55 Years' organised by the National Human Resources Development Council of Sri Lanka (NHRDC) together with Mead Johnson Nutrition, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the International Chamber of Commerce of Sri Lanka (ICCSL).

Although a minimum retirement age exists for state-sector employees, Wimalaweera pointed out that there is no such a minimum retirement age for private sector employees. He also noted that most private firms, except for large companies, don't include age of retirement in employment contract agreements.

"However, most of private sector employees retire at age of 55 in order to claim their retirement benefits (EPF) and then re-join as contract employees on a temporary basis," he said. Wimalaweera stressed that low labour force participation should be a bigger concern as the country's future labour force will have to support the rapidly ageing population.

"By 2045, the population above age of 65 will surpass the population of the age of 15. It means the labour force would be shrinking," he noted. Hence, he pointed out that there's dire need for a structure or a policy to be prepared to overcome this challenge.

The Department of Labour has completed drafting a single employment law, which would address the wages and conditions of work while incorporating the new dynamics of employment such as part-time employment and flexible working hours.

Amidst opposition from several influential labour unions, the draft bill is yet to reach the Cabinet. The department plans to create more public awareness of the draft bill in coming weeks to gain public support for it.

Source: Daily Mirror- 14 November 2019

## 'Beware of online scams - protect your bank passwords and PINs'

The Central Bank of Sri Lanka has received information regarding several types of financial frauds and scams being operated through social media, and Internet-based applications. Recently, an increase of these types of scams has been observed.

Most of these scams are conducted through easy loan schemes that attract the public. During such fraudulent loan approval processes, the fraudsters lure the public to share confidential customer information such as their bank account numbers and the customer's personal identification numbers. The fraudsters then use such confidential information to access customer accounts and steal customers' money.

Confidential customer information includes savings and current account numbers, Internet or mobile banking or e-wallet account usernames/ID and passwords, Personal Identification Numbers (PINs) of cards or Internet banking facilities (number used to withdraw cash from ATM or access online banking), transaction verification information such as One-Time-Passwords (OTPs), transaction verification amounts, credit or debit card details such as card numbers, card expiry dates, security codes, Card Verification digits commonly found at the back of the card and referred to as CVV, CVC or CVS numbers, and any other information that could be used to access or verify bank accounts, payment cards, electronic wallets or any other account.

The public is reminded to obtain real-time notification services, such as SMS alerts from their Banks or non-bank financial institutions such as finance companies, so that they would become aware of any fraudulent activity that takes place using their accounts, instantly.

The Central Bank strongly advises the public to be vigilant about these frauds and scams and not to share any confidential information, especially account usernames, passwords, PINs, OTPs or other Information required for account verification, with anyone. Such information must be used only by the customer who owns the account. Customers must also carefully read the terms and conditions of any financial product or service, before accepting them.

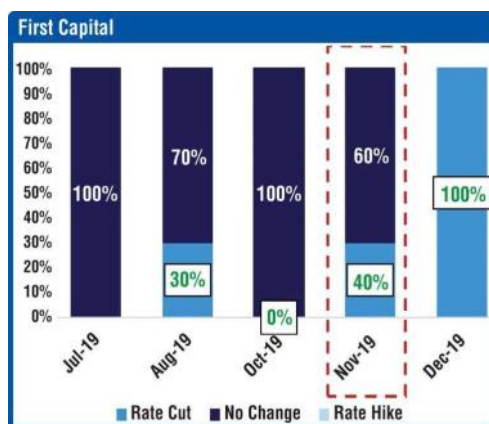
Further, if customers are requested by third parties, such as easy-loan schemes, to provide customers' confidential information, which will grant access to the customer's current or savings accounts or receive any suspicious SMS or email alerts or telephone calls regarding transactions that the customer did not initiate, they are advised to take immediate action and inform their relevant bank or other financial institutions of such suspicious activity.

Source: The Island-November 21, 2019



# Rate cut by CB possible: *First Capital*

- Says further easing cannot be ruled out after Fed rate cut and persistently sluggish growth
- More likelihood of policy easing in December
- Room for CB to buy dollars, strengthen reserves
- Private sector credit still slow, latest data to be released on Friday



First Capital Research yesterday decided not to rule out a rate cut by the Central Bank when it announces its latest monetary policy report on Friday, as space for further easing exists due to the surprise rate cut by the Federal Reserve and dire need to boost economic growth.

The Central Bank maintained its policy rates at the last Monetary Board meeting as they believed that private sector credit may pick up gradually and also there is ample space for market lending rates to adjust downwards in response to the policy measures taken to address the subpar economic growth which was affected by Easter Sunday attacks.

“Despite the 50 bps rate cuts each in May and August, First Capital Research believes that door is open for a rate cut considering the need to address the sluggishness in economic activity.

The external outlook favoring SL, easing political uncertainty and positive macro environment provides opportunity for monetary easing despite the risk in lower liquidity position.

“Accordingly, we do not rule out a possibility of a rate cut though at a lower probability of 40%. We are more biased towards a rate cut in December considering the risk in lower liquidity position,” it said in a statement.

The Federal Reserve, which acts as the US Central Bank, in late October cut benchmark overnight lending rate a quarter point to a range of 1.50%-1.75%, the third such move in 2019 while most of the committee members saw the moves as enough to support the outlook of moderate growth.

Following the US’s Fed move, China, Thailand and Gulf countries also joined a round of monetary easing. The global move towards easing monetary policy, creates a supportive environment for SL to provide further easing in the domestic economy, First Capital Research said.

Strengthening macroeconomic indicators and the current high yields has been slowly attracting foreign inflows which is likely to further accelerate post-Presidential Election amidst easing political uncertainty to a certain extent.

With the support of foreign inflows, currency has been strengthening over the past couple of weeks. “We believe a significantly undervalued rupee (as indicated by the REER) and lower credit growth provides room for Central Bank to buy dollars, strengthening the reserves and increasing liquidity in the system.”

Sri Lanka’s external position looks comfortable near-term, with foreign reserves at \$ 7.8 billion as at October and the improved current account position. The Central Bank plans to raise a Samurai bond of \$ 500 million in December, further adding cushion to the foreign reserves.

“We expect reserves to hover comfortably around \$ 8 billion mark with sufficient foreign repayment cover during the rest of 2019. Accordingly, we expect the comfortable position in the external sector to exert lower pressure on reserves.”

Post-Easter Sunday attacks, Sri Lanka’s GDP growth for 2Q2019 slowed down to 1.6%. First Capital Research expects GDP growth to gradually improve with lower interest rates and the election season. Private sector credit growth continues to remain negligible with January-September growth at 2.13%.

Despite the Central Bank cutting rates in August for the second time, the decline in interest rates has been slow amidst the high level of Non-Performing Loans (NPLs) in the system forcing Central Bank to introduce lending caps to banks. Post completion of the Presidential Election business activity and credit growth has shown slow progress but continues to remain below expectations calling for further monetary easing.

Source: Daily Ft- 26 November 2019



# 'KELANI CABLES' CLINCHES GOLD AT BRAND EXCELLENCE 2019

Kelani Cables PLC was recognized as the B2B Brand of the Year with the coveted Gold award at the SLIM Brand Excellence Awards 2019. Simultaneously with this great achievement, they have also been able to bag the Bronze Award for the CSR Brand (Corporate Social Responsibility) adding more intrinsic values to the 'Kelani Family' for their dedicated service and the team spirit.

The fifty year old company has celebrated its Golden Jubilee glamorously in January 2019. Mahinda Saranapala, Director/CEO of the company said that the Company which had just started with 12 employees in 50 years back has grown to be a renowned corporation that listed top in the Sri Lankan industry with a profound household brand name. Kelani Cables shelters more than 500 direct employees with thousands of others as indirect employees.

He further said that the company offers electric and telecommunication cables and a wide range of electrical accessories. Apart from the manufacturing of cables, the company has undertaken the responsibility as the local agent for distribution of Switches and MCCBs for Schneider Brand, fans from Havells India, insulation tapes from U-Gear Taiwan, LED bulbs, LED panel lights and Solar lamps from S.M. Lighting.

Kelani Cables PLC is an ISO 14001:2015 certified company having obtained the particular accreditation for the first time in 1999 in the cables industry. CEO proudly highlighted that according to the international standards such as BS, IEC, JIS, IS & SLS standards, Cables should be subject to intensive testing before releasing to the market. To honour this obligatory requirement, Kelani Cables possesses a fully equipped laboratory. Adding more value to the quality of their products he went on saying that the "Kelani Enamel wire" product has the UL (underwriters laboratory) certification.



*Kelani Cables Team receiving the SLIM Brand*

The company won many awards during a long spell of time. It is to the first time in the cable industry they have received the prestigious "Quality Award" from the Sri Lanka Standards Institution (SLSI).

In the year 2008 Kelani Cables PLC was rewarded and recognized with the "Crystal Award" at the CNCI Industrial Excellence Awards 2008 which is considered as the pinnacle of awards scheme since anyone company should win Gold Award for three consecutive years to win a 'Crystal'. Among the many awards dreamed by industries they are in possession of 5S Gold Award for manufacturing. Gold Award from SLIM Brand Excellence awards for B2B Category in 2013. Gold award from Peoples' Development Awards.



*GPEA award*

In 2015 and 2016 Asia Best employer Brand Awards at the award ceremony held in Singapore. In 2016, they have also been awarded with Gold award in Social dialogue and Workplace Corporation Awards by the Ministry of Labour and Trade Union Relations.

The most recent accolade is the Global Performance Excellence Award 2019 (GPEA) which is a world class award conducted by the Asia Pacific Quality Organization and which the company had won for the second time.



LAKE  
HOUSE

Daily News



Gamini Gunasekera, Managing Director of Union Chemicals Lanka PLC, receives the Bronze Award from Isura Devapriya, Chairman, Central Environmental Authority, at the 'Presidential Environmental Awards – 2019'

## Union Chemicals Lanka wins Bronze at Presidential Environmental Awards

Gamini Gunasekera, Managing Director of Union Chemicals Lanka PLC received the Bronze Award from Isura Devapriya, Chairman Central Environmental Authority at the Presidential Environmental Awards – 2019 held recently in Colombo.

This event was organized by the Central Environmental Authority (CEA) at Nelum Pokuna Theatre.

The first and foremost reason for Union Chemicals Lanka PLC to be the pioneer in the chemical manufacturing sector in Sri Lanka, is that the company focused on developing innovative technologies, while changing its attitude of thinking for better methodologies.

In order to ensure this, all company operations are conducted conforming to ISO 14001:2015 Environment management system standard integrated with ISO 9001:2015 Quality management system standards, supported by Responsible Care guidelines applicable to chemical manufacturing.

Considering green manufacturing as sustainable manufacturing in harmony with Environment, Union Chemicals Lanka PLC Managing Director Gamini Gunasekera stated that the company manufactures only water based products considering its commitment towards sustainability.

“The company continuously strives to use eco-friendly raw materials by replacing conventional raw materials focusing on environment protection, employee health and safety at workplace”.

Taking steps beyond manufacturing, the company has taken measures to conserve the energy through adaptation of Energy conservation management standards to minimize the consumption of natural resources in order to save for future generations.

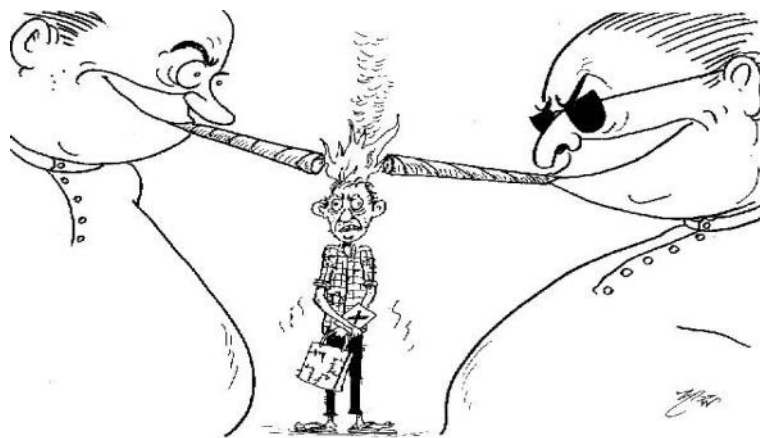
Use of renewable energy, calculating water footprint and carbon footprint, life cycle assessment, green reporting and adhering to globally harmonize system are in support of thereof,

Source: Daily News - November 28, 2019

### Cartoons



Source : ccc - 30 Nov 2019



Source :Daily Mirror - 11 Nov 2019





# IMPORTANT SEMINAR CONDUCTED BY CNCI



**SEMINAR ON  
CHANGES IN INCOTERMS WITH 2020 EDITION  
AND CUSTOMS CLEARING PROCEDURE**

26th November 2019 9.00 am - 4.30 pm  
(Registration starts at 8.30 am)

Hotel Taj Samudra, Colombo 03

## CHANGES IN INCOTERMS WITH 2020 EDITION AND CUSTOMS CLEARING

The newest of the renewed international trade terms to be effective from 1/1/2020

The Incoterm rules were first introduced by International Chamber of Commerce (ICC) in 1936 to establish commonly accepted definitions and rules related to the delivery of goods worldwide. Since then, ICC has periodically revised the Incoterms and the 2020 edition includes more detailed explanatory notes with enhanced graphics to illustrate the responsibilities of importers and exporters to choose the most appropriate Incoterm rules for a given transaction.



### Some of the comments by the Participants :

*I was very impressed by everyone at CNCI who were very helpful and dedicated to make the event so success*

*It's very useful to conduct seminars like this*

*Great Thank You CNCI, very courteous and friendly, Thank you for a wonderful seminar*

*Everything was in order. Thanks a lot*

*Thanks for the service you'll are doing to the industry,*





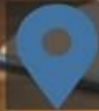
# UPCOMING SEMINAR BY CNCI



## SEMINAR ON ESSENTIAL LABOUR LAWS *With New Changes*



17th December 2019 9.00 am - 4.30 pm  
(Registration starts at 8.30 am)



Hotel Taj Samudra, Colombo 03

### CONTENTS

Shop & Office Employees Act  
Wages Board Ordinance  
Maternity Benefits Ordinance  
Payment of the Gratuity Act  
Termination of Employment of Workmen Act

### INVESTMENT

For Members Rs.8,500/-  
For Non Members Rs.9,000/-  
(Inclusive of Lunch, Refreshments & Handouts)

### DISCOUNT

5% for 3 to 5 Participants.  
10% for 6 or more participants

### RESOURCE PERSONS

**Mr. Milanga Weerakkody** B.A, L.L.M, Attorney at Law  
Commissioner of Labour - Legal (Law Enforcement)  
Chief Legal Officer, Department of Labour

**Mr. K G Kumarasinghe** L.L.B, L.L.M, Attorney at Law  
Legal Officer, Department of Labour

### FOR

Directors, CEOs, All Managers, Executives, Supervisors (Specially in HR / Admin fields) and all others interested in Labour Laws

\*Valid certificate will be awarded

### FOR REGISTRATION

Please email your duly filled registration forms to:  
[po@cnci.lk](mailto:po@cnci.lk), [cnci@slt.lk](mailto:cnci@slt.lk), [thecnci@gmail.com](mailto:thecnci@gmail.com)



Organized by  
THE CEYLON NATIONAL  
CHAMBER OF INDUSTRIES- CNCI

For More Details

Contact: Madhushika/ Nilanthi  
011 2339200, 2452181, 2331444 Fax: 0112331443  
[www.facebook.com/THCNCI](http://www.facebook.com/THCNCI)



## EXCHANGE RATES AS AT 27<sup>TH</sup> NOVEMBER 2019

Date	Buy Rate (LKR)	Sell Rate (LKR)
Australian Dollar	120.6797	125.7274
Canadian Dollar	134.3303	139.1475
Swiss Franc	178.8407	184.9847
Renminbi	25.2539	26.4268
Euro	196.5521	203.2773
British Pound	229.7188	236.8556
Yen	1.6352	1.6938
Singapore Dollar	130.728	135.2187
United States Dollar	179.5937	183.2645

## ECONOMIC INDICATORS AS AT 30<sup>TH</sup> NOVEMBER 2019

Overview	Last	Reference	Previous	Range	Frequency
GDP Annual Growth Rate (%)	1.6	19-Jun	3.7	0.5 : 16.12	Quarterly
Unemployment Rate (%)	4.9	19-Jun	4.7	3.7 : 16.6	Quarterly
Inflation Rate (%)	4.4	19-Nov	5.4	-0.9 : 28.3	Monthly
Interest Rate (%)	7	19-Nov	7	06:10.5	Daily
Balance of Trade (USD Million)	-758	19-Sep	-540	-1101 : -50.1	Monthly
Current Account (USD Million)	-673	19-Jun	447	-1695 : 447	Quarterly
Current Account to GDP (%)	-3	18-Dec	-2.6	-19.3 : -0.4	Yearly
Government Debt to GDP (%)	82.9	18-Dec	76.9	16.3 : 109	Yearly
Government Budget (% of GDP)	-5.3	18-Dec	-5.5	-10.2 : -5.3	Yearly
Corporate Tax Rate (%)	28	18-Dec	28	15:42	Yearly
Personal Income Tax Rate (%)	16	18-Dec	16	15:35	Yearly