



CNCI NEWS BULLETIN

ISSUE 64
January 2020



“CNCI Achiever Awards 2020” Programme Launch and Media Briefing on 13th February 2020

Page 01 ➡

CNCI Office Bearers

- Mr. Ruwan Edirisinghe
Chairman
- Mr. Canisius Fernando
Deputy Chairman
- Mr. Kevin Edwards
Vice Chairman
- Mr. Pradeep Kahawalage
Vice Chairman
- Mr. Shamendra Panditha
Vice Chairman
- Mr. Kasun Rajapaksa
Vice Chairman
- Mr. Amila Sugathapala
Treasurer

Secretary General
Mr. Abeyratne Muthugala

‘SRI LANKA PRESENTS \$ 16 BN OPPORTUNITY FOR PRIVATE SECTOR’

Page 02 ➡



Vignarajah writes to GR on uplifting Sri Lanka



Page 03&04 ➡



Sri Lanka's Central Bank cuts interest rates

Page 02 ➡



UPCOMING SEMINAR BY CNCI

Page 06 ➡



Munchee wins SLIM 'Brand of the Year' award

Page 05 ➡



EXCHANGE RATES AND ECONOMIC INDICATORS AS AT 31ST JANUARY 2020

Page 08 ➡



IMPORTANT SEMINAR CONDUCTED BY CNCI

Page 07 ➡



“CNCI Achiever Awards 2020” Programme Launch and Media Briefing on 13th February 2020

The Ceylon National Chamber of Industries – CNCI has planned its official launch and the media briefing of the “CNCI Achiever Awards 2020” for Industrial Excellence to be held at Hotel Galadari on **13th February 2020 at 6.00 pm**. This is a unique event where the premier Industrial Chamber in the country identifies, recognizes and rewards the Sri Lankan industrialists for their achievement excellence both in the manufacturing and service sectors.

This Awards Scheme has been designed by the CNCI mainly to promote industrial growth in the country by recognizing and rewarding the deserving industrialists who have excelled well in their businesses in the areas of quality standards, productivity, employee benefits, labour relations etc while assuring concerns over the social and environmental obligations and to encourage these entities to reach further heights in their respective industries.

This is a valuable opportunity for all industrial settings of Extra Large, Large, Medium, Small & Micro categories in the country to understand their position in their respective industries in the provincial and National levels. In addition to the local industries, the competition is open to the Sri Lankan businesses getting operated in SAARC countries and to the SAARC country specific businesses on recommendation of their Chambers of Commerce and Industry.

Secretary General of CNCI, Abeyratne Muthugala said that they are certainly proud to mention that the CNCI Achiever Awards Competition has been able to produce a number of industrialists to the country who have become highly reputed and leading businessmen in Sri Lanka today. In this instance, it is pertinent to mention that there are some companies who initially contested under the categories of “Small” and “Medium” are now in the categories of “Large” and “Extra Large”. These are, of course, the success stories behind the Achiever Awards Event organized by the CNCI, he further said.

As a part of the application process, the CNCI also has planned an awareness campaign, covering all parts of the island, through some selected regional chambers, giving special emphasis to the North and East for their emerging businesses.

Applications for the CNCI Achiever Awards are subjected to a stringent evaluation procedure. Initially, the applications received will be scrutinized by external auditors as selected and assigned by the CNCI to verify the accuracy of the information given, especially the financial data.

Next is the interviews and evaluation of the applications by an internal panel of judges consisting of Chartered Accountants, Engineers and senior managers in the industrial sector. Thereafter the factory visits by panel members (to the short listed companies) to witness the information provided by the applicants. Finally, all the short listed applications will be evaluated by an external panel of judges consisting of eminent personalities representing the public and private sector institutions related to Commerce and Industry in the country. This Panel of Judges will be headed by Professor Kaplia Perera, Vice Chancellor of the University of Moratuwa. The presentation of awards will take place on 06th August 2020 at Hotel Galadari, Colombo.

Applications will be available at the CNCI Chamber Secretariat, Galle Face Court 2, Colombo 3 and all regional Chambers or they can be downloaded from their website www.cnci.lk from 14th February 2020.



'Sri Lanka presents \$ 16 bn opportunity for private sector'

The Standard Chartered SDG Investment Map reveals an almost USD10 trillion (USD9.668 trillion) opportunity for private-sector investors across all emerging markets, with Sri Lanka representing USD16.2 billion of that total.

The study identifies opportunities for the private sector to contribute to three infrastructure-focused goals between now and 2030: SDG 6: Clean Water and Sanitation, SDG 7: Affordable and Clean Energy and SDG 9: Industry, Innovation and Infrastructure across emerging markets.

The greatest opportunity in Sri Lanka is found in achieving and maintaining universal access to electricity (a key SDG 7 indicator), representing a USD7.3 billion private-sector investment opportunity. This takes into account the proportion of the Sri Lankan population currently without access to electricity (2 per cent), projected population growth, and the growing demand for power as the economy develops.

For SDG 9, which encourages improvement in industry, innovation and infrastructure, Opportunity2030 highlights private sector investment opportunities in transport and improving digital access.



Securing full digital adoption in Sri Lanka – a combination of mobile phone subscription rates and internet connectivity would require private sector investment of around USD4.1 billion. To significantly improve Sri Lanka's transport infrastructure by 2030 provides a USD4.6 billion investment opportunity for the private sector. Bingumal Thewarathanthri, Chief Executive Officer at Standard Chartered Sri Lanka said,

"Sri Lanka's commitment to the Sustainable Development Goals (SDGs) make it an attractive prospect for the private sector to invest with impact. The government is looking to increase public-private collaboration and its Vision 2025 programme aligns with the SDGs, demonstrating the commitment to the goals.

"Opportunity2030 reveals the opportunities private sector investors have to make a difference in achieving the SDGs. These findings show that in Sri Lanka there is a chance to have a real impact on millions of people's lives over the next decade."

Source: Daily News - 29 January 2020

Sri Lanka's Central Bank cuts interest rates



The Monetary Board of the Central Bank of Sri Lanka, at its meeting held yesterday, January 29 decided to reduce interest rates by 50 basis points in a bid to stimulate the economy and encourage economic activity.

At its meeting, it was decided to reduce the Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) of the Central Bank by 50 basis points to 6.50 per cent and 7.50 per cent, respectively. In a media release, the Board said it arrived at this decision following a careful analysis of current and expected developments in the domestic economy and the financial market as well as the global economy. "This decision supports a continued reduction in market lending rates, thereby facilitating the envisaged recovery in economic activity given the favourable medium term outlook for inflation, which is well anchored within the 4-6 per cent range," the statement said. (BS)

Source: Sunday Times - 30 January 2020

Vignarajah writes to GR on uplifting Sri Lanka

- Following is an open letter to President Gotabaya Rajapaksa by K.C. Vignarajah

Dear President,

Congratulations, concerns and best wishes to uplift our Motherland

I have the honour and humility to address you on matters where I have decades of experience, expertise, enterprise and visionary zeal for the betterment of our beloved country and all humanity, through contributions to the creation of equitable socio economic growth devoid of political bias. This comes naturally to me in the family tradition of:

*Goodwill to all, malice to none,
The courage to always do the correct thing,*

*Fairness and equity in all thought,
deed and expression.*

Defend the defenceless, help the helpless;

Give voice to the voiceless, and hope to those without it,

Service to fellow beings is the best form of service to God.

In the very short time of taking office, you and your team have toiled admirably, to give us much happiness, by your forthright declarations and actions. This is in the midst of huge devastation due to unprecedented monsoonal floods affecting most of our island.

Your team has also given us some welcome surprises, modifying some ideas held by them previously, considering the serious multifaceted crisis our country is facing. To err is human, to forgive (those who repent and reform) is divine.

You have inspired great activity: (a) cleaning the drains, roads, and clearing garbage and restricting mosquito menace in a determined manner, (b) removed obstructions and encroachments, restored street lines, widened roads (c) encouraged live fences and greenery for eco-friendly cities.

Happily, these instilled discipline of public and private sector people doing their duty. (d) Surprise visits to key centres catering to our citizens. Good example – RMV where highly-talented private and public manpower is wasted, and the Economic Centre and CAA price control where officials were not doing the duty. (e) Cutting down costs, effecting savings of people's money: Number of vehicles, security/personal staff and advisors of ministers have been drastically reduced. They are transferred and put to more productive use. (We expect the corrupt will be weeded out expeditiously.)

Bravo, President – You have (i) banned the display of photographs of yourself/ministers at government departments/public places, and similarly naming buildings, bridges and roads. Huge cost savings and boost to morale of our people who are sick of waste and of politico pompousness. (ii) Stopped the use of VIP/VVIP Lounge at the BIA for all, except foreign VIPs, stating that people are the bosses, and all officials are the servants of the people.

Seventy-two years ago, my father illustrated that even the Governor and top British officers signed letters to our people as "Your obedient servant". (iii) Drastically reduced the Cabinet of Ministers to 16 and a reasonable number of State/deputy ministers.

Concerns about some appointees, presumably due to political compulsions. Please keep a '24 hour CCTV camera watch' on them to inspire crucial public and investor confidence. (iv) Your laudable wish to prevent persons with serious allegations of crime being candidates to become representatives of the people in Parliament, Provincial Councils and or any other representative bodies. This must become a reality ASAP. Declaration of all assets and liabilities of all candidates at elections and key public servants.



Setting correct economic strategy and tone: Your team's recommendation of moratorium on capital repayment, reducing and freezing of interest for one year on SME. We earnestly feel that these should also apply to Independent Minority Shareholders (IMS) to give a tremendous boost to decent investing public in the corporate sector as well, while curbing malicious Controlling Interests & Related Parties (CI&RP) of Public Listed Companies (PLCs). The IMS should be protected from shareholder fatigue and crisis of confidence, depriving marketability, liquidity, good dividends, valuations, etc. created by CI&RP. In the context. Please see attached recent three articles written by me.

Your determination not to tolerate any bribery/corruption whatsoever; appoint efficient persons who would uphold the country's interest as the top priority.

You have recognised that in each sector there are the good, the bad, the ugly and even the evil. Your well-experienced Secretary Dr. P.B. Jayasundera has duly advertised for EOIs from all who could contribute to energise the country's development.

See Page 02 ...



My slogan over many decades was to build an Enterprise Society (ES) which energised, enlightened, Creative, Competitive, Caring, Capitalism (ee4Cs) where human capital of experience, wisdom and skills play an important part, which shares the benefits of their enterprise with the wide spectrum of shareholders and stakeholders. ee4Cs is the better democratic socialism. Also 'debilitate, destroy, Corrupt, Crony, Capitalism (dd3Cs)' which brought our exotic country to its worst position from 72 years ago.

People's participation in rapid socio-economic growth is best done through well-regulated, efficient, widely held PLC in a free, fair stock market. It is an essential catalyst to create and maintain equitable, egalitarian, Enterprise society (ES) which will also monitor and support all positive related activities. They should additionally be supplemented by good corporative movements which enable different layers of wide enthusiastic participation.

I have been a good governance activist of private sector investments and a 'Mentor, Monitor and Moderator' (MM&M) in regulatory matters in the public interest areas. This was in addition to creating enterprises as the pioneering professional of the apparel exports industry and foremost stimulator of supply chain ventures, management services and to export industry causing multiplier effect and enthusiasm.

I made a comprehensive case to consider all Independent Minority Shareholders (IMS), other than Controlling Interest and Related Party (CI&RP), to be treated as SMEs. They are equally affected by bad governance and economic mismanagement and should be offered the preferential interest rates and write off excess interests rates charged and moratorium on repayment of capital.

Former CBSL Governor Ajith Nivard Cabraal in 2014, the AWPLR was only 6.2%. IMS are very much involved in equity investments in Enterprises which will in turn bring much needed local and foreign investor confidence.

In 1948 – We were then second only to Japan in Asia, later in 1955 Singapore PM Lee Kwan Yew (LKY) "wanted Singapore to be like Sri Lanka in 25 years' time – 1980". However, in 1980 President JRJ requested "LKY" to create "a plan for Sri Lanka to be like Singapore in 25 years – by 2005"). LKY said after due study, this could not be done because of the rampant nepotism, discrimination, bribery and corruption.

Our so-called leaders flouted many laws and orderly conduct, by letting off VIP crooks arbitrarily. The government became a joke and the country was perceived to have become a failed State over the years. Former PM RW in 2014 claimed that majority in Parliament were uneducated, rogues, crooks, druggies and other criminals. Last month people claimed he and his cronies had added to the misery, and dismissed them.

The Securities and Exchange Commission (SEC) and the Colombo Stock Exchange (CSE) members have slept on duty and failed miserably. Strong action has to be taken against the officials who have perpetually delayed and thereby denied justice to public shareholders who risk their hard-earned money in 'equity shares' which promote desired equitable growth.

The outgoing Chairman Ranel T. Wijesinha (RTW) of the SEC had tried his best to motivate and restructure the SEC. We had pleaded with him to wake those who have been sleeping on duty, to perform their sacred duty by the trusting investing public. The roles of Independent Directors, the Independent Minority Shareholders (IMS) to curb the Controlling Interests (CI), insider dealing, Conflicts of Interests (CoI), Related Party Transactions (RPT), etc. I had referred to legal technicalities being the excuse by the SEC officials, ignoring the intention and substance of the laws of giving protection to the shareholders and Investing public

It was heartening to note that at a 1-1/2 hour discussion the undersigned had on 2 August 2019, with the SEC Chairman (RTW) and the Directors of all the relevant divisions, RTW told them that I was correct on the matters I raised.

He countered the officials who gave various excuses, stating that "some actions may be legal, but harmful to the investors". The wrongdoings of the Controlling Interest (CI) have to be dealt with urgently.

Former Governor Central Bank Dr. Indrajit Coomaraswamy (Dr. IC) who acted honourably did a splendid job within his limited independence. Both Dr. IC, RTW, former CJ Priyasad Dep, former Chair SEC Indrani Sugathadasa, among many others, needs to be given suitable posts of independence to 'Mentor, Monitor and Moderate' (MM&M).

The choice of P.S.M. Charles as Governor of Northern Province is a good move. She has excelled in all her previous positions of high National priority – G.As, NTFC, Customs.

National Reconciliation is of foremost importance, as the polarisation has been widened with all good professionals protesting the National Anthem being sung only in Sinhala, whereas it was in both languages in politically lucid moment.

The National Anthem from time of Independence until the divisive, ruinous 'Sinhala Only' policy had alternate verses in Sinhala and Tamil; and there was much unity and sincerity in our pledge of loyalty to our country.

To strengthen your hand dealing with the enemy within, you must foster clean strong talented opposition leaders, like Sajith Premadasa, Dr. Harsha de Silva, Eran Wickramaratne and Dinesh Weerakkody with balanced views.

It is a tremendously critical time for greatly needed course correction – if the true potential of our country is to be realised.

Yours truly,
K.C. Vignarajah -
*In the best interest of our country,
its image, economy, investing
public and the IMS.*

Source: Daily ft - 2 January 2020

Munchee wins SLIM 'Brand of the Year' award

Munchee, the flagship brand of Ceylon Biscuits Limited (CBL) product portfolio, has yet again clinched the coveted 'Brand of the Year' award at the SLIM Brand Excellence Awards 2019 held at Shangri-La hotel Colombo, recently.

Munchee won the 'Brand of the Year' award, which included six awards altogether at the award ceremony, which was attended by the crème de la crème of the Sri Lanka marketing industry.

This was the seventh time Munchee won the 'Brand of the Year' award in the 18-year history of SLIM Brand Excellence Awards. Munchee also won the 'CSR Brand of the Year' Gold award, 'Product Brand of the Year' Gold award and 'Local Brand of the Year' Gold award.

In addition, Munchee won two Silver awards for 'Export Brand of the Year' and 'Innovative Brand of the Year.'

It is noteworthy to mention that this was also the seventh time where Munchee won the Gold award for 'CSR Brand of Year,' which speaks volumes of the corporate giants commitment to the society. The numerous CSR initiatives undertaken by CBL has changed lives of many and assisted the needy throughout the country.

The brands were evaluated under 14 categories to recognize high performing brands. Each entry was subjected to a stringent evaluation process, where all aspects of the brand were thoroughly evaluated. The brands that emerge as top scorers of the six main categories and the special categories were declared as Gold, Silver and Bronze winners. These top scorers were further subjected to evaluation by an esteemed panel of judges in order to be adjudged as 'Brand of the Year', the most coveted title of the SLIM Brand Excellence Awards.

The highest number of 101 corporate entries were recorded this year, which is proof of how highly this awards platform has been regarded by the country's marketing fraternity.



Munchee team at SLIM Brand Excellence Awards

Commenting on the win Janmesh Paul Antony, General Manager Marketing at CBL said, "The awards and accolades we have received at the SLIM Brand Excellence Awards 2019 is a testament to the strength of our prized brand Munchee.

Winning the prestigious 'Brand of the Year' title for the 3rd consecutive year is indeed a great honor. We at CBL sincerely thank all our consumers, as this could not have been achieved without the continuous love and bond that we have with our loyal consumers. Also, we are proud to be the recipient of 'CSR Brand of the Year,' as it recognizes the caring nature of our brand and the immense contribution towards the betterment of the society."

CBL clinched multiple awards at the recently held annual SLIM National Sales Congress Awards 2019 (NASCO), showcasing its sales and marketing prowess by proudly winning seven awards a gold, three silver and three bronze.

Source: Daily News - 20 January 2020

Cartoons



Source: themorning.lk-17-01-2020



Source: themorning.lk-29-01-2020





UPCOMMING SEMINAR BY CNCI



CONTENTS

- * EPF & ETF Acts - Introduction and Objectives
- * Obligations of the Employer
- * Reckonable Total Earnings
- * Consequences of non-compliance
- * Provisions for Member Benefits
- * Powers and Role of Department of Labour in respect of EPF Payments
- * Offences and Directors' Liability
- * Dissolving Companies and the Liability of Unpaid EPF
- * Recent interpretations by Courts
- * Proposed amendments to the Acts

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, Managers, Executives, Supervisors (Specially in Finance / HR / Admin fields) and all others interested in EPF & ETF

*Valid certificate will be awarded

FOR REGISTRATION

Please email your duly filled registration forms to:
po@cnci.lk, cnci@slt.lk, thecnci@gmail.com

LANGUAGE

Both Sinhala & English



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

CNCI - "VOICE OF INDUSTRY"



IMPORTANT SEMINAR CONDUCTED BY CNCI



SEMINAR ON
MODERNIZED CUSTOMS PROCEDURE & IMPORTS / EXPORTS DOCUMENTATION

28th January 2020 9.00 am - 4.30 pm
(Registration starts at 8.30 am)

Hotel Taj Samudra, Colombo 03



EXCHANGE RATES AS AT 31ST JANUARY 2020

Date	Buy Rate (LKR)	Sell Rate (LKR)
Australian Dollar	119.3382	124.3555
Canadian Dollar	135.0341	139.871
Swiss Franc	183.9481	190.244
Renminbi	25.5852	26.7704
Euro	196.7115	203.4507
British Pound	234.074	241.3442
Yen	1.6358	1.6942
Singapore Dollar	131.2148	135.5224
United States Dollar	179.6369	183.3068

Source: <https://www.cbsl.gov.lk/en/rates-and-indicators/exchange-rates/daily-buy-and-sell-exchange-rates>*ECONOMIC INDICATORS AS AT 31ST JANUARY 2019*

Overview	Last	Reference	Previous	Range	Frequency
GDP Annual Growth Rate (%)	2.7	19-Sep	1.5	0.5 : 16.12	Quarterly
Unemployment Rate (%)	5.1	19-Sep	4.9	3.7 : 16.6	Quarterly
Inflation Rate (%)	5.4	20-Jan	4.8	-0.9 : 28.3	Monthly
Interest Rate (%)	6.5	20-Jan	7	06:10.5	Daily
Balance of Trade (USD Million)	-762	19-Nov	-838	-1101 : -50.1	Monthly
Current Account (USD Million)	-522	19-Sep	-661	-1695 : 446	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

Source: <https://tradingeconomics.com/sri-lanka/indicators>