



CNCI NEWS BULLETIN

ISSUE 105
October 2023

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CNCI WEBINAR
Webinar on
Essentials & Best Practices
for Quality Assurance and Control

TARGET AUDIENCE:
QA Managers, QA Executive,
QA Inspectors, QC Trainers,
QC Technicians, QC Inspectors,
QC Assistants, QC Specialists,
Project Managers and all
other interested parties

INVESTMENT
Members : Rs. 8,000/-
Non - Members : Rs. 8,500/-

Corporate Discount
5 or more participants - 5%
10 or more participants - 7.5%

23rd November 2023
9:30 am - 4:00 pm
ZOOM

RESOURCE PERSON
Ms. MADURA KATHIRAVELU *Principal*
Master in Human Resource Management
Visiting Lecturer - CIP & DMC Campus
Research Supervisor - Open University
Sri Lanka

LANGUAGE
Sinhala / English (Notes in English)

CSE on a Positive to Volatile Trajectory

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CNCI Achiever Awards 2023 Was Held in a Grand Manner...



The most glamorous event of the CNCI calendar “Achiever Awards for Industrial Excellence—2023” ceremony in collaboration with the Ministry of Industries, was held at the Grand Ballroom, Hotel Galadari. The event was graced with the presence of the Minister of Industries; Hon. (Dr) Ramesh Pathirana as the Chief Guest and the Secretary of the Ministry of Industries; Mrs. Thilaka Jayasundara as a Special Guest.

Hundreds of award winners were eagerly waiting to receive their most-awaited tokens of appreciation on this day. The winners who bagged the three Crystal Awards for the day; VEE Power Solutions, Christell Skin Clinic (Pvt) Ltd., and Oxford College of Business along with all other Gold, Silver, Bronze and Merit Award winners, undoubtedly made the Achiever Awards 2023 ceremony a more glistening event.

The main sponsors for the day were, the Bank of Ceylon as the Business Development Partner, Christell Skin Clinic (Pvt) Ltd., Ceylinco General Insurance; the Co-sponsors, Print Media Partner Associated Newspapers of Ceylon Limited (Lakehouse), and Electronic Media Partner Independent Television Network (ITN). The ceremonial sponsors of the event, KEM Care Technologies, CBL Foods International, VEE Power Solutions, Freelan Enterprises, Haycarb PLC, ROCELL, Flexiprint, Alumex PLC, Oxford College of Business and Wakkumbura Industrial Technology Company added a great value in supporting CNCI’s worthy cause of celebrating industrial excellence.



Reforming The Tax Incentive Structure in Sri Lanka

The second tranche of the International Monetary Fund's Extended Fund Facility (EFF) was delayed due to Sri Lanka's failure to meet program targets, including the government revenue target. The IMF has emphasized the need to strengthen tax administration, remove tax exemptions, and eliminate tax evasion to ensure revenue collection. Corporate Income Tax (CIT) in Sri Lanka has been dismal, with collection averaging around 1% of GDP over the last two decades. CIT collection is concentrated in a few sectors, with financial services, food & beverages, and telecommunications accounting for a disproportionate share of taxes. Tax holidays and concessionary tax rates have eroded the CIT tax base, leading to lower revenue collection. The government's tax incentives, introduced under the GCEC Act No. 4 of 1978 and the Board of Investment (BOI) of Sri Lanka from 1992, have led to generous tax holidays and incentives granted to projects not purely foreign funded. The IMF diagnostic report highlights the need for a more transparent data sharing protocol.

Figure 2 : Contribution to Corporate Tax by Sector - 2019/20

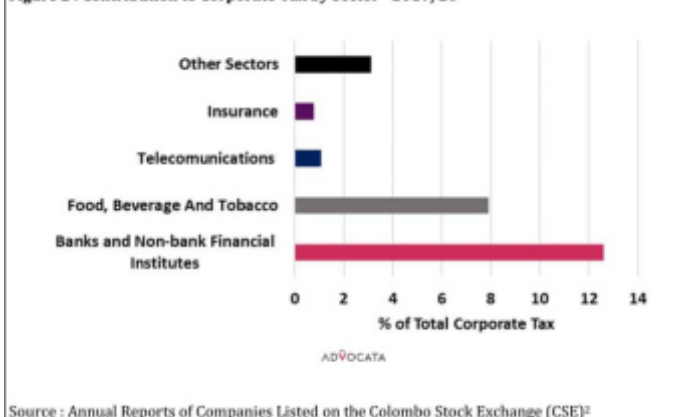
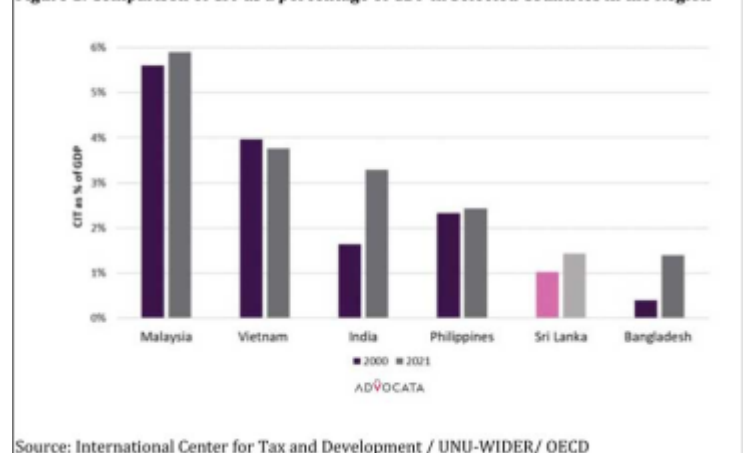


Figure 1: Comparison of CIT as a percentage of GDP in Selected Countries in the Region



Source: DailyFT – 25 October 2023

First Eight Days Of October Draw Over 26,000 Tourists



- **Aims for an ambitious 147,789 monthly target**
- **Cumulative arrivals reach over 1.04 m mark**
- **India remains top source market followed by Russia, UK, China and Germany**

Sri Lanka has seen a tourist surge in October, with 26,272 arrivals within the first eight days. This has boosted the country's monthly target to 147,789, bringing the total to over 1.04 million visitors for the year. However, industry analysts predict achieving the monthly target will take over 35,000 per week. India leads the pack with 6,293 arrivals, followed by Russia, the UK, China, and Germany. Other countries like Australia, Maldives, the US, Spain, and the Netherlands also contribute to the thriving tourism influx. Tourism is crucial to Sri Lanka's economy, contributing nearly 5% of its GDP.

Source: Daily FT – 10 October 2023



Colombo Port City To Become a Major Economic Hub In The Region – Former British PM David Cameron

The Port City Colombo UAE Road Show showcased the visionary project, Port City Colombo (PCC), attracting global investors and dignitaries. Former British Prime Minister David Cameron discussed the project's prospects, real estate development, regional trading, and luxurious residential and retail spaces. He highlighted the potential of special economic zones like PCC, such as Dubai International Financial Centre and Singapore, and its potential to boost host countries' economies. Sri Lanka's recovery from a 30-year-old war and its

strategic location in the Indo-Pacific region made PCC an ideal destination for international businesses. The event paved the way for new business partnerships and collaborations, especially in the Indo-pacific region.



Former British Prime Minister, David Cameron

Source: Daily FT – 9 October 2023

Govt. Issues Gazette Lifting Import Restrictions, Excluding Vehicles

The Sri Lankan government has lifted all import restrictions, except those relating to vehicles, following an Extraordinary Gazette issued by President Ranil Wickremesinghe. The Controller General of Imports and Exports will issue operational instructions to the Customs Director General, licensed banks, and other authorities to ensure smooth implementation of the regulations. The final decision on any issues related to these regulations will be made by the Imports and Exports Controller General. State Finance Minister Ranjith Siyambalapitiya confirmed the lifting of all import restrictions, with the exception of those imposed on vehicles, with the aim of driving further economic expansion.

Source: -Daily FT – 10 October 2023

Sri Lanka Sustains Near \$ 1 b Trade Deficit

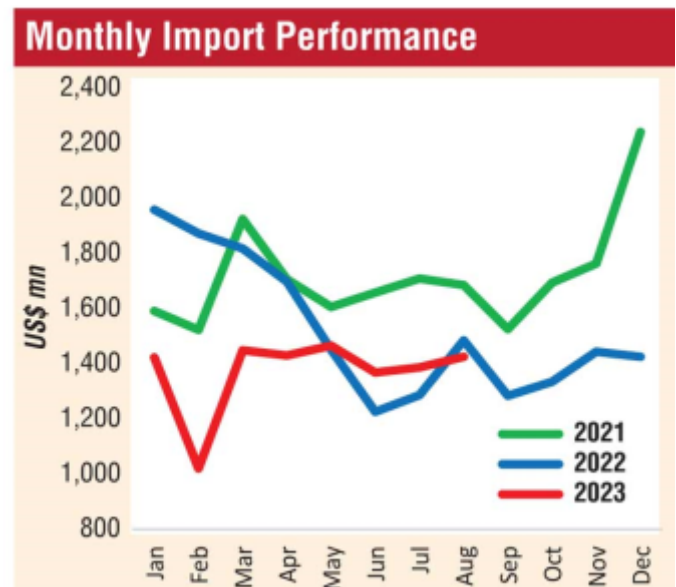
- Earnings from exports in August at \$ 1.1 b marked the highest monthly earnings so far in 2023 though down YoY by 8.7%
- Expenditure on imports down 4% to \$ 1.4 b; first eight months lower by 14% to % 10.9 b

Sri Lanka's trade deficit has widened to nearly \$1 billion in August, with a decrease in export earnings and a decrease in imports. The deficit narrowed to \$2,964 million in the first eight months of 2023, but the difference has narrowed in recent months. The deficit in the merchandise trade account widened to \$307 million in August, compared to \$260 million a year ago. Earnings from exports declined by 8.7% YoY to \$1,119 million, mainly driven by industrial exports, particularly garments. Agricultural exports also declined, with a 20% decline in earnings from major markets. Import expenditure declined by 4.0% YoY to \$1,426 million, with a marginal increase in import expenditure from June 2023. Import expenditure on consumer goods increased, while intermediate goods declined due to reduced expenditure on textiles, fuel, wheat, rubber, and other intermediate goods. The terms of trade deteriorated by 5.1% in August 2023.



Sources: SLC, CBSL

Daily FT GraphicsDesk



Sources: SLC, CBSL

Daily FT GraphicsDesk

Source: Daily FT - 7 October 2023

Source: - The Island - 02nd September 2023



Multichemi Launches Sri Lanka's First Plant Based 'Magic Soft' Fabric Conditioner

Multichemi International Ltd., a leading Sri Lankan manufacturer of eco-friendly, biodegradable detergents, has launched its first plant-based fabric conditioner, 'Magic Soft'. Launched at the Tangerine Beach Hotel in Kalutara, the conditioner is free of animal fats, offers premium softness, and uses encapsulated fragrance technology for longer-lasting scents.

It also prevents color fading, minimizes wrinkles,

and preserves the new look of clothes for longer, making ironing easier. The conditioner is available in Floral Fresh and Aqua Fresh fragrances in 1L bottles and 200ml refill packs. Multichemi International Limited, established in 1993, is one of the largest Sri Lankan manufacturers producing international standard, biodegradable, and environmentally friendly detergents under the brand 'dash'. The company has achieved ISO 9001 quality certification and a strong commitment to customer satisfaction and product quality.



Operations Director Samuditha Kumarasinghe addressing the gathering

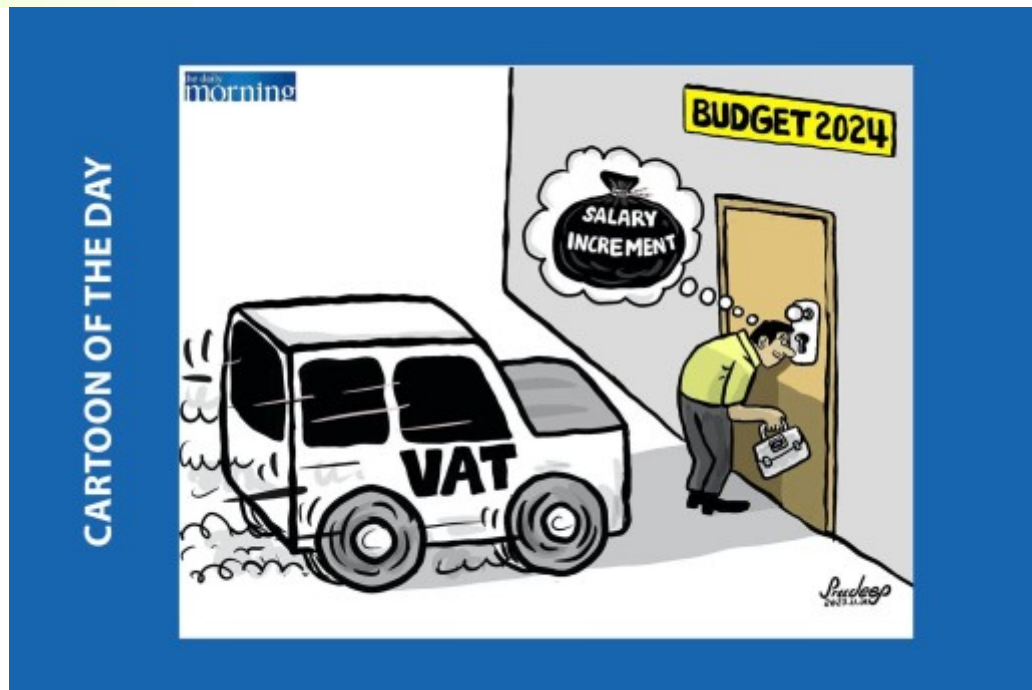
CSE on a Positive to Volatile Trajectory

The CSE experienced volatility after trading activities ended, with Lanka IOC PLC reporting a 60% decrease in profits to Rs 5.0 billion in the September 2023 quarter compared to the previous year. LIOC shares gained 7.25 percent, trading at Rs 111.00. The main All Share Price Index was down 9.34 points, while the S&P SL20 index was up 4.4 points. Turnover stood at Rs 396 million without any crossings. Companies contributing to turnover included Lanka IOC, JKH, Expolanka Holdings, Ceylon Grain Elevators, Laxapana Battery, Hayleys Fabrics, and Sampath Bank. 14.2 million share volumes changed hands in 6600 transactions.



Source: The Island : 31 October 2023

Cartoons



Source: Cartoon – The Daily Morning – 31 October

EXCHANGE RATES AS AT 31ST OCTOBER 2023

Date	Buy Rate (LKR)	Sell Rate (LKR)
Australian Dollar	205.9950	216.3457
Canadian Dollar	231.6997	242.5948
Swiss Franc	350.6537	368.3089
Yuan	42.9918	45.7856
Euro	335.7672	350.6766
British Pound	387.7170	403.5108
Yen	2.1292	2.2200
Singapore Dollar	231.9958	242.6943
United States Dollar	319.3451	330.0381

Source: <https://www.cbsl.gov.lk/en/rates-and-indicators/exchange-rates/daily-buy-and-sell-exchange-rates>

Sri Lanka Economy SNAPSHOT**Sri Lanka Economy SNAPSHOT**

Source : <https://www.cbsl.gov.lk/en/sri-lanka-economy-snapshot>

Upcoming Training Programs by CNCI



CNCI WEBINAR

Webinar on
Essentials & Best Practices
for Quality Assurance and Control

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Session I

- Introduction to Quality Assurance and Quality Control
- Principles of Quality Assurance
- Quality Control Techniques and Tools
 - Cause-and-effect diagram
 - Process mapping
 - Check sheet
 - Pareto chart

Session II
The Passion of Quality for your Organization

- Implementing a Culture of Quality
- The Role of Total Quality Management
- Techniques for Quality Improvement
 - Kaizen
 - 5S
 - IT
 - Lean Manufacturing
 - 05 Why method
- Benefits of Quality Assurance and Control Improvement
- Improvement Activities for Your Organization

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QC Technicians, QC Inspectors,
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Corporate Discount:
5 or more participants - 5%
10 or more participants - 7.5%

FOR REGISTRATION
Please fill and submit the Google Form or Email your duly filled registration form to:
cncihrd.training@gmail.com | cnciprograms@gmail.com | cnci@sl.lk
Contact For More Details:
0112 339 200 / 0112 452 181 / 077 1777 115 (Sumudu/ Gogani)

23rd November 2023
9.30 am - 4.00 pm
ZOOM

RESOURCE PERSON
Ms. WAJIRA RATHNAYAKE (BSc Mgt HRM sp)
Masters in Human Resource Management
Visiting Lecturer - ICBT & CINEC Campus
Research Supervisor - Open University
Sri Lanka

LANGUAGE
Sinhala / English (Notes in English)



BANK OF CEYLON



Bankers to the Nation