

(C) PUBLIC ENTERPRISES

In 1971 several new public corporations were established. The total number of corporations as at end of 1971 was 68, of which, 13¹ were established in this year. This is in keeping with the Government's policy of expanding the activities of the public sector.

Total investment in public enterprises amounted to Rs 3,461 million in 1970/71² as against Rs. 3,118 million in the previous year. Size of investment varied according to the structure of the undertaking. In 1970/71 capital employed on the average per employee was Rs 27,101. The table below gives the amount of capital invested by major categories.

Table II (C) 1

Total Capital Investment of Public Corporations *
1969/70 and 1970/71

			Rupees Million	
Sector			1969/70	1970/71
State Industrial Sector	..	..	1,320.0	1,405.3
Trading Corporations	..	..	465.3	437.9
Services	..	..	1,188.0	1,451.3
Financial Institutions	..	..	145.6	166.3
Total			3,118.9	3,460.8

* Research Institutes, Development Corporations, Banks, Lending Institutions and Investment in Public Companies are excluded. Investment data are in respect of 35 Corporations. Total investment is defined as Capital + Reserves + Long-term liabilities - Accumulated losses. The data are subject to audit.

In 1970/71 thirty corporations including banks and other financial institutions of the public sector have shown profits³. Of these, fifteen have made profits larger than those in the previous year; fourteen have made less profits, while one made a profit as against a loss in the previous year. Twelve enterprises including the Ceylon Government Railway have incurred losses in 1970/71. Of these, four have incurred bigger losses than in the previous year. Four have reduced losses and four have incurred losses as against a profit in the previous year. Public sector manufacturing enterprises reviewed here have made a profit before tax of approximately Rs 64 million in 1970/71 as against Rs 45 million in the previous year. The performance of these corporations would have shown a bigger improvement but for the severe foreign exchange constraint limiting their production.

1. State Graphite Corporation, State Pharmaceuticals Corporation of Ceylon, Sri Lanka State Trading (General) Corporation, Ceylon Shipping Corporation, Building Materials Corporation, State Gem Corporation, Sri Lanka State Trading (Textile) Corporation, Sri Lanka State Trading (Tractor) Corporation, Weaving Supplies Corporation, State Development and Construction Corporation, Ceylon Paddy Marketing Board, National Savings Bank, Coconut Development Authority.
2. The year 1970/71 refers to the financial year which is not uniform in these enterprises.
3. Profit and loss figures for 1970/71 are not available in respect of eight corporations.

Public sector industries in the past, rather than conserving their own resources for re-investment have generally placed a financial burden on the government. More than two-thirds of the financial requirements of public industrial enterprises had to be provided from sources external to the corporations. It is, however, encouraging that the share of government contributions to total investment in industrial corporations has declined from 72 per cent in 1969/70 to 64 per cent in 1970/71 in spite of increased investment in this sector.

The overall improved performance of most public corporations in 1970/71 as judged from available information, has been due to better utilization of installed capacity, expansion of existing capacity and better planning. On account of delays in the publication of Annual Reports and Statements of Accounts, there continues to be a lack of useful timely information on the activities of State enterprises and consequently the usefulness of statements on the overall performance of the corporations sector is limited. Corporations should be required to publish these reports within a short period after the end of the accounting year.

The statistical data published in the following paragraphs and in the tables are those provided by the respective enterprises.

The data furnished in the Report are not final and are liable to revision when audited figures become available.

2. INDUSTRIAL CORPORATIONS

There were 22 industrial Corporations (including Fisheries) in 1970/71, but one of them (State Fertilizer Manufacturing Corporation) had not commenced production. The total capital invested in the Corporations that are in production increased by Rs 85 million from Rs 1,320 million in 1969/70. However, the capital used in production was Rs 928 million in 1970/71 or 66% of the invested capital. Value of production which increased by 29% in 1969/70 rose by 9.3% to Rs 591.1 million in 1970/71. Among the Corporations that showed substantial increases in output were cement, ceramics, steel, paper, tyre and plywood. The number employed increased from 27,044 to 28,670. The productivity per worker rose from Rs 20,041 for the year 1969/70 to Rs 20,618 in the subsequent year.

Table II (C) 2 gives a summary of performance for the year 1970/71.

It will be seen from Table II (C) 2 that several public sector manufacturing enterprises recorded increases in production in 1970/71. Increases in production were recorded in the case of milk, flour, cement, minerals, paper, plywood, tyres, chemicals, steel and leather. Although the output of crockery and wall tiles declined, the output of sanitaryware and kaolin increased. The production of salt declined owing to unfavourable weather conditions. With the commissioning of the cast-iron foundry at Enderamulla, the Hardware Corporation produced for the first time cast-iron products.

During the year under review, nine industrial enterprises achieved their production targets. Actual production fell short of the targets set for textiles, shoes, tyres, tubes and steel products.

TABLE II (C) 2

State Industrial Corporations Summary of Performance in 1970/71

Name of Corporation	Capital Utilized in Production Rs. '000	Value of Production Rs. '000	Profit* Rs '000	Employment (Nos.)	Exports (Rs. '000)	Rate of Return on Capital (%)	Value of out put per employee (Rs. '000)	Export as % of value of production	Contributions to Consolidated fund Rs. '000
1. National Milk Board ..	29,702†	54,720	+ 1,368	1,760	—	+ 4.61	31.1	—	—
2. Oils & Fats Corporation ..	18,403	25,882	+ 120	810	2,710	+ 0.65	32.0	10.47	—
3. Sri Lanka Sugar Corporation ..	91,211†	27,623	+ 7,921	3,182	—	+ 8.68	8.7	—	1,000
4. State Flour Milling Corporation ..	26,521	36,123	+ 162	481	3,338	+ 0.61	75.1	9.24	—
5. National Salt Corporation ..	9,920	6,335	+ 2,271	1,589	—	+22.89	4.0	—	500
6. National Textile Corporation ..	41,100	22,145	— 76	2,700	—	—	8.2	—	2,000
7. Ceylon Leather Products Corporation ..	11,277	6,952	— 1,074	864	—	—	8.0	—	—
8. Eastern Paper Mills Corporation ..	29,000	23,360	+ 2,708	1,380	—	+ 9.34	16.9	—	2,000
9. Ceylon Plywood Corporation ..	7,050	11,369	+ 111	1,226	312	+ 1.57	9.3	2.74	300
10. State Timber Corporation ..	11,568	23,914	+ 155	1,606	—	+ 1.34	14.9	—	—
11. Paranthan Chemicals Corporation ..	11,802	3,144	+ 648	321	—	+ 5.49	9.8	—	125
12. Ceylon Tyre Corporation ..	67,479	43,500	+ 6,200	1,423	—	+ 9.19	30.6	—	2,000
13. Ceylon Petroleum Corporation ..	181,600	150,228	+14,600	447	95,000	+ 8.04	336.1	63.24	10,000
14. Ceylon Ayurvedic Drugs Corporation ..	1,368	1,174	+ 133	142	—	+ 9.72	8.3	—	—
15. Ceylon Ceramics Corporation ..	19,852	8,485	+ 3,250	1,130	86	+16.37	7.5	1.01	3,000
16. Ceylon Cement Corporation ..	178,034	77,082	+22,952	2,332	—	+12.89	33.1	—	11,357
17. National Small Industries Corporation ..	19,458	9,679	— 970	1,939	—	—	5.0	—	—
18. Ceylon Mineral Sands Corporation ..	16,225	4,564	+ 1,622	426	3,802	+ 10.0	10.7	83.3	250
19. Ceylon Steel Corporation ..	116,700	49,622	+ 1,435	927	—	+ 1.23	53.5	—	—
20. Ceylon State Hardware Corporation ..	40,725	5,240	n.a.	1,124	13	n. a.	4.7	0.25	—
21. Ceylon Fisheries Corporation ..	n.a.	n.a.	n.a.	2,861	1,007	n. a.	n. a.	n. a.	—
Total ..	928,995	591,141	+63,536	28,670	106,268	+6.84	20.6	17.8**	32,532

Source: Ministry of Industries and Scientific Affairs and respective Corporations.

* Profits accruing from manufacturing activities.

† Capital Invested.

** Excludes Fisheries Corporation.

The total sales values of public sector manufacturing enterprises reviewed here increased from Rs. 497 million in 1969/70 to Rs. 526 million in 1970/71, representing an increase of 6 per cent. Substantial increases in sales were made in the case of cement, steel and paper. On the other hand, the sale of provender, textiles and rutile declined.

Over 90 per cent capacity utilization was recorded in respect of the production of sanitaryware, chrome leather, ilmenite, caustic soda, flour and paper. Notable performances by way of utilization of capacity were also seen in manufacture of petroleum products (89%), lubricating oils (85%), bricks and tiles (76.5%), provender (81%), and plywood (80%). Although the tyre and tube factory of the Tyre Corporation has a capacity to manufacture 250,000 tyres and tubes it must be noted that in actual fact effective capacity is much less owing to the non-availability of sufficient mould sizes. The output of Kaolin, Chlorine, rolled steel products and several items manufactured by the Hardware Corporation had to be curtailed deliberately because of market limitations.

Apart from the major activity of manufacturing, some of the public sector manufacturing enterprises were also engaged in trade. They were the Eastern Paper Mills Corporation, the National Salt Corporation, National Textile Corporation, Ceylon Steel Corporation, Paranthan Chemicals Corporation and the Oils and Fats Corporation. On the trading accounts, in 1970/71 the highest profits were recorded by the National Textile Corporation (Rs. 2.2 million) and Eastern Paper Mills Corporation (Rs. 1.4 million). Data pertaining to the trading activities of these institutions is shown in Table II (C) 4

During the year under review seven industrial corporations exported their products earning Rs. 105.3 million¹ in foreign exchange. Of this, the Ceylon Petroleum Corporation accounted for Rs. 95.0 million. The State Flour Milling Corporation exported its by-products Bran and Pollard and earned Rs. 3.33 million in foreign exchange.

The rate of return on capital employed in production varied from 22.9 per cent in Salt, 16.4 per cent in ceramics to less than 1 per cent in the Oils and Fats and Flour Milling Corporations. The average rate of return of all industrial corporations increased from 6.2 per cent to 6.8 per cent in 1970/71.

1 In addition the Ceylon Fisheries Corporation earned Rs. 1 million in foreign exchange from the export of fish.

Annual Capacity, Output and Sales

Corporation	Units of output	1968/69*		
		Capacity	Production	Sales
1. National Milk Board(a)				
Processed Milk	Th. Pints.	59,250	24,968	23,084
Condensed Milk	Th. cans	25,000	11,514	6,011
Powdered Milk	Th. 1 lb. tins	—	—	—
2. Ceylon Oils & Fats				
Coconut oil	Tons	22,320	1,166	1,184
Provender	"	31,200	51,524	54,061
Fatty acids	"	5,400	6,286	1,319
Glycerine	"	5,400	549	133
Other oils	"	n. a.	88	24
3. Sri Lanka Sugar				
Kantalai Unit				
Sugar	Metric Tons	21,000	3,653	3,653
Spirits	Th. proof glns.	600	832	795
Gal Oya Unit				
Sugar	Metric tons.	19,200	4,684	4,684
Spirits	Th. proof glns.	750	473	317
4. State Flour Milling(c)				
Flour	Tons	n. a.	6,649	9,274
By-Products	"	n. a.	4,382	5,420
5. National Salt(b)				
Corporation Salterns	Tons	71,900	81,417	79,382
Private Salterns	"	13,600	18,515	
6. Marketing Department				
Fruit Cannery				
Jams	Th. lbs.	n. a.	1,179	1,179
Juices	Th. lbs.	n. a.	153	153
Creams	Th. lbs.	n. a.	125	125
Other Products†	Th. lbs.	n. a.	n. a.	n. a.
7. Government Distillery				
Ordinary Arrack	Proof gallons	n. a.	92,711	135,926
Double Distilled	Proof gallons	n. a.	9,510	4,197
8. National Textile(c)				
Veyangoda Factory				
Yarn	Th. lbs.	3,400	2,397	489
Textile	Th. yds.	14,000	6,423	5,028
Finishing	Th. yds.	—	7,640	—
Imports of Yarns	Th. lbs.	—	11,600	10,500
9. Ceylon Leather Products(d)				
Shoes	Th. pairs	271	275	253
Chrome Leather	Th. sq. ft.	600	667	125
Bark & Other Leather	Th. lbs.	300	364	n. a.
Miscellaneous goods	Th. nos.	n. a.	321	n. a.
10. Eastern Paper Mills(c)				
Manufacturing-Paper	Tons	9,000	7,968	10,045
Trading-Paper Imports	"	—	6,491	6,890
11. Ceylon Plywoods(b)				
Gintota Factory				
	Th. sq. ft. 3 ply	30,000	22,507	—
	Plywood of which			
	Tea chests Th.	1,300	1,103	1,077
12. State Timber(b)				
Sawn Timber	Th. Cu. ft.	n. a.	1,138	1,138
Plywood	"	n. a.	—	—

1969/70*			1970/71*			1971/72*		
Capacity	Production	Sales	Capacity	Production	Sales	Capacity	Production	Sales
59,250	28,302	26,292	42,340	32,054	32,687	38,325	34,549	34,038
25,000	19,632	19,333	25,000	14,615	14,916	25,000	15,054	16,141
12,000	8,351	2,281	12,000	11,920	11,280	12,000	11,606	13,672
1,750	1,225	307	1,750	1,178	344	1,750	1,915	360
37,400	51,240	50,863	37,400	48,839	44,112	37,400	72,000	72,000
3,600	695	877	3,600	1,057	1,094	3,600	3,340	3,340
360	74	149	360	126	149	360	458	458
n. a.	289	163	n. a.	327	117	n. a.	1,081	1,049
21,000	5,478	5,478	21,000	8,000	8,000	n. a.	n. a.	n. a.
600	768	770	600	800	750	n. a.	n. a.	n. a.
19,200	3,719	3,719	19,200	5,400	5,400	n. a.	n. a.	n. a.
750	673	636	750	800	700	n. a.	n. a.	n. a.
50,400	41,428	42,181	50,400	48,028	47,388	59,625	64,867	64,867
19,600	15,457	n. a.	19,600	18,290	15,615	19,875	22,764	22,884
69,550	90,738	63,062	70,000	53,043	60,352	74,500	66,755	48,244
17,600	21,094	16,658	21,100	10,311	24,144	14,350	18,029	10,308
n. a.	1,737	2,007	n. a.	1,864	1,962	n. a.	2,636	n. a.
n. a.	429	302	n. a.	537	553	n. a.	766	n. a.
n. a.	137	97	n. a.	50	109	n. a.	200	n. a.
n. a.	500	508	n. a.	588	533	n. a.	937	n. a.
620,000	150,072	141,193	620,000	170,940	168,339	620,000	208,000	208,000
20,000	16,100	16,100	20,000	700	700	20,000	20,000	20,000
3,400	2,723	972	20,600†	2,513	1,339	20,600†	8,598	4,950
14,000	8,676	8,474	27,100	5,780	6,447	27,100	16,296	16,296
34,000	1,990	1,988	74,000	3,906	3,874	74,000	17,198	17,198
—	7,273	8,900	—	—	—	—	—	—
350	281	229	350	241	257	350	362	357
720	688	145	1,250	1,109	179	1,250	1,254	587
420	358	11	420	243	57	420	261	54
n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
9,000	8,911	8,626	9,000	9,463	9,278	10,500	19,160	17,435
—	4,477	4,862	—	3,044	6,978	—	9,350	8,729
30,000	20,242	—	30,000	24,298	—	30,500	17,073	—
1,450	902	781	1,450	1,043	1,066	1,098	883	883
n. a.	777	771	n. a.	678	678	n. a.	700	700
n. a.	485	485	n. a.	480	480	n. a.	600	600

Annual Capacity, Output and Sales

Corporation	Units of output	1968/69*		
		Capacity	Production	Sales
13. Paranthan Chemicals(b)				
Caustic Soda ..	Tons	1,500	930	908
Chlorine ..	"	1,400	518	477
Table Salt ..	"	100	231	215
Hydrochloric Acid ..	"	—	—	—
Imports of Caustic Soda ..	"	—	2,300	2,639
14. Ceylon Tyres(c)				
Tyres ..	Nos.	250,000	58,553	58,553
Tubes ..	Nos.	152,000	40,456	40,456
Flaps ..	Nos.	88,000	4,328	4,328
15. Ceylon Petroleum(a)				
Refinery ..	Th. gallons	n. a.	13,368	13,368
Gasoline ..	"	n. a.	17,194	16,681
Kerosine ..	"	—	—	—
Chemical Naphtha ..	"	n. a.	27,365	26,683
Diesel ..	"	n. a.	48,123	701
Asphalt ..	"	n. a.	1,397	n. a.
Other Products†† ..	"	n. a.	n. a.	47,172
Fuel Oil ..	"	n. a.	—	—
Lubricating Oil Blending Plant ..	"	—	—	—
16. Ceylon Ceramics(c)				
Negombo Factory ..	Tons Crokery	940	1,004	1,045
Piliyandala Factory ..	"	1,600	1,338	1,335
	Tons wall tiles	300	184	181
	Tons sanitaryware	500	345	211
Kaolin Factory ..	Tons Kaolin	5,000	2,900	2,824
17. Ceylon Cement(d)				
Kankesanthurai ..	Tons	175,000	158,367	146,488
Galle ..	"	100,000	88,265	82,859
Puttalam ..	"	—	—	—
18. National Small Industries(b)				
Bricks & Tiles ..	Th. Nos.	19,226	11,797	10,998
19. Ceylon Mineral Sands(b)				
Ilmenite ..	Tons	90,000	75,986	73,430
Rutile ..	"	10,800	1,967	2
Zircon ..	"	9,500	—	—
20. Ceylon Steel(b)				
Rolled Products ..	Metric Tons	60,000	25,582	18,284
Wire Products ..	Metric Tons	12,000	4,930	3,518
21. State Hardware(d)				
Hardware Factory ..	Th. units	3,400	1,205	847
Hardware items ..	"	—	—	—
Cast Iron Factory - Castings ..	Casting Tons	—	—	—
22. Ceylon Fisheries(d)				
Fish caught ..	Th. lbs.	n. a.	9,976	6,717
Fish purchased ..	"	n. a.	1,808	—
Canning factory ..	Th. Cans	933	65	n. a.
Boat Yard ..	Nos.	32	32	32
By - products ..				
Cured fish ..	Th. lbs.	n. a.	640	518
Fish meal ..	"	n. a.	74	61
Shark Liver oil ..	Th. gallons	n. a.	33	35
Shark Fins ..	Th. lbs.	n. a.	—	—
Ice ..	Th. lbs.	n. a.	—	—

(a) Provisional 1971.

(b) Provisional 9 months from April to December, 1971.

(c) Budgeted 1972.

(d) Budgeted 1971/72.

(quantity) of State Industries

TABLE II (C) 3 (Contd.)

1969/70*			1970/71*			1971/72*		
Capacity	Production	Sales	Capacity	Production	Sales	Capacity	Production	Sales
1,500	897	958	1,500	1,375	1,344	1,200	1,200	1,200
1,300	505	454	1,300	576	524	975	450	450
400	289	278	400	276	294	315	300	300
—	—	—	1,500	192	145	1,125	380	300
—	2,612	2,568	—	2,766	2,616	—	3,200	2,878
250,000	71,695	69,395	250,000	84,342	83,147	250,000	199,600	192,942
152,000	39,184	52,169	152,000	99,325	84,232	152,000	161,850	142,420
88,000	29,308	26,846	88,000	32,529	29,882	88,000	—	10,200
n. a.	42,184	42,184	n. a.	37,008	37,008	n. a.	29,334	29,334
n. a.	74,757	74,757	n. a.	68,883	68,883	n. a.	51,449	51,449
n. a.	28,316	28,316	n. a.	29,222	29,222	n. a.	23,443	23,443
n. a.	110,514	110,514	n. a.	109,649	109,649	n. a.	85,577	85,577
n. a.	n. a.	n. a.	n. a.	7,860	7,860	n. a.	1,248	1,248
n. a.	6,611	6,611	n. a.	8	8	n. a.	4,603	4,603
n. a.	162,074	162,074	n. a.	180,205	180,205	n. a.	173,233	173,233
—	—	—	4,500	3,860	3,859	4,500	3,750	3,749
940	922	935	940	847	884	1,100	1,000	1,000
1,600	1,081	1,040	1,600	1,042	1,260	1,600	1,344	1,344
300	201	199	300	179	185	450	360	360
500	453	478	500	543	594	500	540	540
5,000	3,233	3,045	5,000	3,613	3,055	5,000	3,000	3,000
185,000	188,221	196,153	250,000	188,972	184,482	250,000	182,000	182,000
100,000	80,117	85,536	100,000	65,572	63,604	100,000	100,000	100,000
—	—	—	220,000	96,272	91,928	220,000	190,000	190,000
14,736	11,523	11,598	14,736	11,272	10,930	13,122	11,277	11,277
90,000	77,356	80,800	93,212	92,412	81,840	85,000	86,000	70,000
10,800	1,549	2,830	2,071	2,146	1,110	4,500	1,950	3,250
9,500	—	—	8,737	121	—	—	750	750
81,000	21,026	25,203	81,000	23,714	25,995	81,000	19,736	19,791
12,000	5,003	5,809	12,000	5,654	6,183	12,000	5,472	4,502
3,400	1,337	1,292	3,400	922	1,001	3,400	1,885	2,036
6,000	—	—	6,000	15	—	6,000	118	107
n. a.	4,377	3,665	n. a.	5,680	5,755	n. a.	13,700	11,955
n. a.	1,722	n. a.	n. a.	4,497	n. a.	n. a.	7,620	n. a.
n. a.	304	n. a.	n. a.	851	n. a.	n. a.	1,250	n. a.
n. a.	24	n. a.	n. a.	33	n. a.	n. a.	n. a.	n. a.
n. a.	563	527	n. a.	739	739	n. a.	1,427	1,427
n. a.	134	81	n. a.	241	283	n. a.	246	246
n. a.	n. a.	2	n. a.	5	4	n. a.	15	15
9	8	4	n. a.	9	n. a.	n. a.	21	21
n. a.	10,741	n. a.	n. a.	17,670	17,670	n. a.	57,456	30,842

Source: Data furnished by respective Corporations.

* All figures are for financial years of Corporations (April to March) except for National Milk Board, Petroleum Corporation Refinery & Blending Plant (Financial year January to December) Govt. Distillery & Marketing Dept. Fruit Canning (Financial year October to September).

† Includes fruit slices, jellies & sauces.

†† Includes Naphtha, Bitumen etc.

‡ Includes the capacity of Thulhiriya Mill.

Value of Production, Sales, Profitability and

Corporation ¹	Value of Production ²				Value of	
	1968/69	1969/70	1970/71	1971/72 ³	1968/69	1969/70
1. National Milk Board (a)	21,672	45,925	54,720	61,416	24,092	44,972
(a) Processing and other	12,855	19,945	15,505	16,300	17,465	17,971
(b) Condensed Milk Factory	8,817	17,775	12,217	12,649	6,627	20,849
(c) Powdered Milk Factory	—	8,205	26,998	32,467	—	6,152
2. Ceylon Oils and Fats ⁴	33,825	26,132	25,882	45,251	23,225	25,017
3. Sri Lanka Sugars	16,410	24,701	27,623	n. a.	25,232	29,884
(a) Kantalai Factory	7,785	12,542	11,817	n. a.	16,713	15,879
(b) Gal Oya Factory	8,625	12,159	15,806	n. a.	8,519	14,005
4. State Flour Milling (c)	3,963	30,581	36,123	56,072	5,520	32,899
(a) Flour	3,963	25,638	29,723	44,560	4,063	25,913
(b) By products	n. a.	4,943	6,400	11,512	1,457	6,986
5. National Salt (b)	8,054	11,182	6,335	8,477	7,543	7,971
6. National Textiles (c)	—	—	—	—	—	—
(a) Manufacturing	25,498	28,263	24,015	68,781	13,728	24,628
Veyangoda Factory	25,498	27,828	22,145	32,090	13,728	24,628
Tulhiriya	—	435	1,870	36,691	—	—
Other Projects	—	—	—	—	—	—
(b) Trading ⁶	46,473	37,712	n. a.	n. a.	51,300	44,118
7. Ceylon Leather Products	7,033	6,901	6,952	16,395	6,975	6,279
(a) Shoe Factory	4,716	4,646	3,778	9,490	6,294	5,410
(b) Tannery	2,317	2,255	3,174	6,905	681	869
8. Eastern Paper Mills (c)	15,986	19,911	23,360	40,572	44,938	43,819
(a) Manufacturing	15,986	19,911	23,360	40,572	28,192	31,571
Paper Factory	—	—	—	—	—	—
Paper Board Mill Project	—	—	—	—	—	—
(b) Trading ⁶	6,500	4,827	2,941	23,852	16,746	12,248
9. State Printing	—	—	—	—	—	—
10. Ceylon Plywoods (h)	7,392	8,546	11,369	9,626	10,265	8,446
(a) Gintota Factory ⁷	7,392	8,546	11,369	9,626	10,265	8,446
(b) Avissawella Factory	—	—	—	—	—	—
11. State Timber (b)	3,825	10,849	23,914	18,440	8,217	20,020
12. Paranthan Chemicals (b)	2,242	2,772	3,144	3,683	5,278	6,172
(a) Manufacturing	2,242	2,772	3,144	3,683	2,390	2,482
(b) Trading ⁶	942	1,710	2,038	2,931	2,888	3,691
13. Ceylon Tyre	18,178	28,600	43,500	76,500	25,838	28,300
14. Ceylon Petroleum	—	—	—	—	—	—
(a) Refinery	57,755	175,419	133,800	174,356	55,903	—
(b) Blending Plant	—	n. a.	16,428	15,166	—	20,805
15. Ayurvedic Drugs	—	1,053	1,174	1,201	—	947
16. State Fertilizer Manufacturing	—	—	—	—	—	—
17. Ceylon Ceramics (c)	8,842	8,320	8,485	12,108	12,982	12,817
(a) Negombo Factory	2,749	2,503	2,562	3,750	4,599	3,990
(b) Piliyandala Factory	5,658	5,332	5,381	7,698	7,589	7,940
(c) Kaolin Refinery	435	485	542	660	794	879
18. Ceylon Cement (d)	54,441	58,753	77,082	140,970	40,121	61,720
(a) Kankasanturai Factory	33,257	39,526	39,684	38,220	30,456	41,192
(b) Galle Factory	21,184	19,227	15,737	24,000	9,665	20,528
(c) Puttalam Factory	—	—	21,661	42,750	—	—
19. National Small Industries (b)	8,234	8,032	9,679	8,910	7,703	8,280
(a) Carpentry Section	4,149	4,340	5,547	4,838	4,043	4,039
(b) Bricks & Tile Factories	3,005	3,692	4,132	4,072	2,570	4,241
(c) Ayurvedic Drugs Factory	1,080	—	—	—	1,090	—
20. Ceylon Mineral Sands (b)	1,769	3,756	4,564	4,883	3,385	7,276
(a) Ilmenite Factory	1,155	2,004	2,527	2,538	3,385	4,281
(b) By products Factory	614	1,752	1,937	2,345	—	2,995
21. Ceylon Steel (b)	—	—	—	—	—	—
(a) Manufacturing	31,148	38,266	49,622	44,095	26,157	39,732
(b) Trading ⁷	—	n. a.	n. a.	n. a.	25,461	39,732
22. Ceylon State Hardware (d)	5,008	3,790	5,240	16,330	3,122	4,882
(a) Hardware Factory	5,008	3,790	3,761	8,915	3,122	4,882
(b) Cast Iron Foundry	—	—	1,479	7,415	—	—
23. Ceylon Fisheries (d)	16,043	n. a.	n. a.	13,856	8,779	7,901
24. Marketing Department Fruit Canning Factory	2,877	3,796	4,070	6,566	3,704	3,895
25. State Distillery	1,685	2,627	2,875	3,469	1,618	2,491

- Figures are for accounting years. i. e. Industrial Corporations April—March. National Milk Board January—December. Fruit Canning Factory and Government Distillery October—September. The latest figures —
 (a) Provisional for 1971 (b) For nine months from April to December, 1971
 (c) Budgeted for 1972 (d) Budgeted for 1971/72.
- Value of production ex-factory, value of imports c. i. f.¹
- Profit before taxation
- Cumulative as at end of financial year
- Capital invested refer to total value of assets

Rupees Thousand

Sales		Profit (+) or Loss (-) 3				Capital Invested 4			
1970/71	1971/72*	1968/69	1969/70	1970/71	1971/72*	1968/69	1969/70	1970/71	1971/72*
66,635	79,129	- 950	- 98	+ 1,368	+ 6,762	23,273††	29,702††	29,702††	46,386††
20,370	20,500	- 1,400	- 2,300	- 3,879	- 3,200	14,507	14,502	14,507	14,507
15,936	17,354	+ 450	+ 775	+ 900	+ 4,705	6,300	5,680	5,680	5,680
30,347	41,275	—	+ 1,427	+ 4,347	+ 5,257	1,800	5,576	5,576	22,260
22,572	44,834	+ 4,552	- 2,596	+ 120	+ 2,248	27,940	28,540	28,540	28,540
34,650	n. a.	+ 5,947	+ 11,148	+ 7,921	n. a.	81,115	87,123	91,211	n. a.
18,235	n. a.	+ 8,389	+ 7,243	+ 5,682	n. a.	25,081	30,083	33,399	n. a.
16,415	n. a.	- 2,442	+ 3,905	+ 2,239	n. a.	56,034	57,040	57,812	n. a.
35,236	56,277	- 308**	+ 235	+ 162	+ 2,173	25,323	32,942	32,942	32,942
29,208	44,560	—	—	—	—	—	—	—	—
6,028	11,717	—	—	—	—	—	—	—	—
8,449	5,854	+ 2,235**	+ 2,848	+ 2,271	+ 700	13,010	15,400	n. a.	n. a.
		+ 2,032**	+ 4,008	+ 2,123	+ 8,491	98,000	233,568	282,300	403,666
25,489	79,074	—	+ 2,869	- 76	+ 9,498	50,300	42,840	42,764	54,797
24,774	41,588	—	—	—	- 1,007	35,000	172,969	220,025	271,700
715	37,486	—	—	—	—	12,700	17,759	19,511	77,169
n. a.	n. a.	—	+ 1,139	+ 2,199	n. a.	—	—	—	—
6,833	10,931	+ 168	- 221	- 1,074	+ 451	7,147	10,777	14,900	14,900
5,771	7,901	n. a.	n. a.	n. a.	n. a.	4,225	4,225	4,800	4,800
1,062	3,030	n. a.	n. a.	n. a.	n. a.	2,922	6,552	10,100	10,100
52,977	84,910	+ 8,396	+ 4,174	+ 4,079	+ 10,217	41,228	63,929	83,906	n. a.
37,345	58,716	+ 5,540	+ 3,784	+ 2,708	+ 8,171	—	—	—	—
—	—	—	—	—	—	29,000	29,000	29,000	n. a.
—	—	—	—	—	—	12,228	34,929	54,906	n. a.
18,602	26,194	+ 2,856	+ 390	+ 1,371	+ 2,046	—	—	—	—
—	—	—	—	- 693	n. a.	n. a.	7,400	10,800	n. a.
11,503	9,626	+ 2,151**	+ 565	+ 111	+ 1,179	12,309	76,912	76,912	76,912
11,503	9,626	+ 2,151	+ 565	+ 111	+ 1,179	2,800	2,800	2,800	2,800
—	—	—	—	—	—	9,509	74,112	74,112	74,112
36,821	30,980	- 557**	+ 751	+ 155	+ 588	10,103	11,413	11,568	12,157
6,873	8,578	+ 654**	+ 240	+ 648	+ 674	11,802	11,802	11,802	11,802
3,329	3,683	n. a.	n. a.	n. a.	n. a.	11,802	11,802	11,802	11,802
3,484	4,895	n. a.	n. a.	n. a.	n. a.	—	—	—	—
32,800	62,600	+ 3,422	+ 5,400	+ 6,200	+ 16,800	67,525	67,525	67,525	67,525
438,547	559,058	—	+ 1,791**	+ 11,430	+ 18,878	103,160	180,000	186,000	n. a.
19,594	19,879	—	+ 123	+ 3,166	+ 4,713	4,595	5,500	5,500	n. a.
1,591	2,936	n. a.	+ 130	+ 133	+ 778	n. a.	1,368	1,368	1,368
—	—	—	—	—	—	27,551**	36,800	49,457	n. a.
16,119	23,215	+ 4,474	+ 3,000	+ 3,250	+ 3,735	20,030	19,852	19,852	21,030
3,415	5,805	+ 1,248	+ 832	+ 823	+ 720	5,000	5,000	5,000	6,178
11,904	16,326	+ 3,049	+ 2,064	+ 2,471	+ 2,859	11,955	11,777	11,777	11,777
800	1,084	+ 186	+ 104	- 44	+ 156	3,075	3,075	3,075	3,075**
74,690	104,970	+ 12,935	+ 27,374	+ 22,952	+ 36,512	170,114	185,721	244,117	n. a.
38,741	38,220	n. a.	+ 21,531	+ 16,052	+ 15,490	65,952	88,212	91,051	n. a.
15,265	24,000	n. a.	+ 5,843	+ 2,850	+ 6,481	18,234	15,492	15,808	n. a.
20,684	42,750	—	—	+ 4,050	+ 14,541	85,928	82,000	137,258	n. a.
8,972	8,900	- 1,636	- 523	- 970	- 1,577	20,881	24,860	26,130	n. a.
4,962	4,828	- 641	- 102	- 610	- 1,267	3,132	2,478	2,478	n. a.
4,010	4,072	- 685	- 421	- 360	- 310	16,549	21,382	23,652	n. a.
—	—	- 310	—	—	—	1,200	n. a.	n. a.	n. a.
5,887	9,460	+ 736**	+ 1,499	+ 1,622	+ 4,458	14,782	15,225	16,225	21,625
4,470	4,854	n. a.	n. a.	n. a.	n. a.	11,100	n. a.	n. a.	n. a.
1,417	4,606	n. a.	n. a.	n. a.	n. a.	3,682	n. a.	n. a.	n. a.
47,161	44,216	+ 2,583**	+ 2,187	+ 1,435	+ 1,914	117,000	117,000	118,000	118,000
41,552	39,453	n. a.	+ 2,187	+ 1,435	+ 1,914	117,000	117,000	118,000	118,000
5,609	4,763	n. a.	n. a.	n. a.	n. a.	—	—	—	—
4,698	18,206	- 720**	- 4,782	n. a.	n. a.	36,167	33,167	33,482	34,800
4,196	10,102	- 720	- 3,029	n. a.	n. a.	16,282	16,282	17,297	17,650
502	8,104	—	- 1,753	n. a.	n. a.	19,885	19,885	16,185	17,150
n. a.	16,660	- 2,800	- 11,822	n. a.	+ 2,800	53,799	84,091	107,002	n. a.
4,516	n. a.	+ 668	+ 133	+ 160	+ 200	n. a.	n. a.	n. a.	n. a.
2,753	3,700	- 18	n. a.	n. a.	n. a.	2,158	2,587	2,917	3,359

Source: Figures furnished by the respective Corporations.

6. Value of production refer to value of imports.

7. Value of production for tea chests only.

† Value of production at wholesale prices.

†† Including Sterilized Milk Project.

* Provisional.

** Revised figures based on Auditor General's Report, 1969/70.

TABLE II (C) 5

Employment in the State Industries 1967/68 to 1971/72

Corporation	Number of Persons				
	1967/68	1968/69	1969/70	1970/71	1971/72
1. National Milk Board ¹	1,241	1,092	1,692	1,760	2,131
(a) Processing and distribution	1,104	910	1,305	1,340	1,576
(b) Condensed Milk Factory	137	182	226	226	256
(c) Powdered Milk Factory	—	—	161	194	299
2. Eastern Paper Mills	1,333	1,379	1,240	1,380	1,515*
3. Ceylon Ceramics	891	904	998	1,130	1,137
4. Ceylon Oils & Fats	697	722	770	810	900
5. Ceylon Plywoods	770	852	1,199	1,226	1,505
6. Ceylon Leather Products	613	688	690	864	n.a.
7. Paranthan Chemicals	312	300	317	321	324
8. Ceylon Cement	1,898	1,786	2,379	2,332	n.a.
9. Sri Lanka Sugar	2,215	2,220	2,234	3,182	n.a.
10. Ceylon Mineral Sands	180	389	407	426	449
11. National Salt	1,948	1,309	1,492	1,589	1,600
12. National Textiles	1,816	1,954	2,170	2,700	3,700*
13. Ceylon Steel	950	953	960	927	1,050
14. Ceylon Tyre	792	1,095	1,302	1,423	1,644*
15. National Small Industries	1,917	1,880	2,060	1,939	2,067
16. Ceylon State Hardware	2,210	1,081	1,085	1,124	1,899
17. State Flour Milling	63	413	425	481	551*
18. Ceylon Fisheries	1,380	1,308	3,417	2,861	n.a.
19. State Fertilizer Manufacturing	8	33	60	93	101
20. Ceylon Petroleum-Oil Refinery	—	378	477	381	438*
Blending Plant	—	—	66	66	106
21. Ceylon Ayurvedic Drugs	—	—	147	142	206
22. State Timber	—	1,228	1,517	1,606	n.a.
23. State Printing	—	n.a.	92	107	n.a.
24. Marketing Department-Fruit Canning Factory	150	155	170	n.a.	n.a.
25. State Distillery - Seeduwa	72	73	83	83	84
Total	21,450	22,192	27,449	28,953	

Source: Figures Supplied by the respective Corporations.

1. Figures are for accounting years, i.e. Industrial Corporations April-March, National Milk Board and Petroleum Corporation January-December, Fruit Canning Factory and Government Distillery October-September.

* For 9 months.

TABLE II (C) 6

Exports by State Industrial Corporations

Corporation	1968/69		1969/70		1970/71	
	Quantity	Exch. Earned Rs. '000	Quantity	Exch. Earned Rs. '000	Quantity	Exch. Earned Rs. '000
1. Ceylon Ceramics						
Crockery 4 inch Saucers Dozs.	—	—	129,000	n.a.	36,108	85.8
Kaolin Tons	—	—	—	—	1	.2
2. Mineral Sands						
Ilmenite Tons	72,545	3,384.5	76,570	2,662.1	82,099	2,888.1
Rutile Tons	—	—	2,830	1,854.4	1,110	914.0
3. Plywoods						
Plyboards Sq. Ft.	—	—	58,900	61.2	3,706†	312.5
Veneer Sq. Mtrs.	3,000	1,429.5	3,000	12.3	—	—
Sawn Timber Cu. Ft.	—	—	750	8.0	—	—
4. State Flour Milling						
Bran & Pollard Tons	—	—	—	—	8,107	3,337.7
5. Ceylon Oils & Fats						
Fatty Acids Tons	1,122	1,712.2	1,355	2,410.6	1,280	2,479.1
Glycerine Tons	120	242.0	149	249.5	148	231.2
6. Petroleum						
Naphtha (Mt. Tons)	—	—	115,416	11,207.0	77,210	6,039.0
Furnace Oil (Mt. Tons)	—	—	161,105	8,216.0	35,000	2,499.0
Bunkers	—	—	n.a.	n.a.	n.a.	86,500.0
7. State Hardware						
Pruning Knives Nos.	—	—	—	—	3,924	13.0
Coffee & Tea Pruners Nos.	—	—	2,400	7.8	—	—
Mammoties Nos.	—	—	100	.3	—	—
Lead Ingots Tons	—	—	50	40.2	—	—
Total		6,768.2		26,729.4		105,299.6

Source: Ministry of Industries and Scientific Affairs
and respective Corporations.

* Data furnished by the Petroleum Corporation.

† Cubic Metres.

3. INDUSTRIES IN THE PUBLIC SECTOR

(A) Food, Beverages and Tobacco.

(a) *National Milk Board*

The capital investment of the National Milk Board remained at Rs. 29.7 million in 1971. The Board's total value of production which had increased by Rs. 8.8 million to Rs. 54.7 million in 1970 is estimated to have increased to Rs. 61.4 million in 1971. The Board expects to make an estimated profit of Rs. 6.8 million in 1971 as against a profit of Rs. 1.4 million in 1970.

(b) *Ceylon Oils and Fats Corporation*

Provender production which increased from approximately 1,000 tons per annum in 1957 to 51,000 tons in 1969/70, declined in 1970/71 to 48,839 tons. This represents a utilization of 81.4 per cent of the capacity. On the other hand the production of fatty acids increased from 695 tons in 1969/70 to 1,057 tons in 1970/71 while the output of glycerine increased from 73 tons to 126 tons during the same period. The Corporation earned Rs 2.7 million in foreign exchange from the export of the two latter products.

Since the Corporation is required to maintain the selling price of provender below the open market price to encourage the local poultry industry, it has been in receipt of a government grant since 1967.

The present authorised capital of the Corporation is Rs 27.6 million while the capital actually employed for production is Rs 18.4 million. In 1970/71, it made a profit of Rs 120,000/- thus giving a return of 0.7% on capital employed. For comparative purposes it may be noted that since 1969/70 the government grant has been excluded in the computation of profits.

(c) *Sri Lanka Sugar Corporation*

As shown in last year's Annual Report¹, the Corporation continued to offset its loss on sugar from the revenue on spirits and its overall profit in 1969/70 amounted to Rs 11.1 million. Data relating to the financial year 1970/71 were not made available and hence it is not possible to review the Corporation's performance for the period.

(d) *State Flour Milling Corporation*

The State Flour Milling Corporation commenced commercial production in 1969. During the year 1970/71 the production of flour increased by 13 per cent to reach 48,028 tons. This volume of production represents a utilization of 95.3 per cent of production capacity. There was also a corresponding increase in the production of its by-products including bran, semolina, pollard and fish meal and the value of production increased by approximately Rs. 5.5 million to Rs 36.1 million. The Corporation earned Rs 3.3 million in foreign exchange, by exporting 8,107 tons of bran and pollard during the first

¹ Annual Report 1970, page 67.

9 months of 1971. Profits before taxation declined from Rs. 235,000 in 1969/70 to Rs. 162,000 in 1970/71. The capital employed in production was Rs. 26.5 million; the rate of return in 1970/71 was 0.61 per cent.

(e) National Salt Corporation

Due to unfavourable weather conditions salt production declined sharply by 46,478 tons or 42 per cent to 63,354 tons in 1970/71 over the previous year. The Corporation has been steadily building up stocks and was able to meet the domestic demand by drawing down these stocks.

The Corporation made a profit of Rs. 2.3 million in 1970/71 as against Rs. 2.8 million in 1969/70, representing a rate of return of 22.9 per cent compared to 28.1 per cent in the previous year. In spite of an increase in sales, the lower profit in 1970/71 was mainly due to an increase in the wage bill. Meanwhile the trend in the first two quarters of 1971/72 indicates a shortfall in production targets for that year.

(B) Textiles, Wearing Apparel and Leather Industries

(a) National Textiles Corporation

The total capital investment of the Corporation increased by Rs. 48.4 million to Rs. 282.3 million in 1970/71. Of this, Rs. 47.1 million was invested in the new textile mill at Thulhiriya, but this mill did not come into commercial production in 1970/71. The Corporation's production of yarn and textiles was lower in 1970/71 compared with the previous year. Meanwhile the trend in the first two quarters indicates that the production in 1971/72 is likely to be higher than in the previous year.

In spite of the increase in turnover the Corporation suffered a loss of Rs. 0.07 million compared with an overall profit of Rs. 2.8 million in 1969/70 on manufacturing activities. This was largely due to the higher wage costs. The fall in output at Veyangoda resulted in larger losses; increased profits from the sale of imported yarn offset a part of the loss. In 1971/72 the Corporation will not have this advantage since the yarn import section has been transferred to the State Weaving Supplies Corporation.

(b) Ceylon Leather Products Corporation

The total investment of this Corporation increased in 1970/71 by Rs. 4.1 million to Rs. 14.9 million on account of the construction of a new Tannery which nearly doubled the production capacity of chrome leather. The output of all products except shoes recorded increases in 1970/71. The Corporation's shoe factory worked at 66 per cent of its capacity mainly on account of production being geared to internal market demand and the accumulation of large stocks in 1970. There were no exports of shoes and leather products in 1970/71; in fact export values declined sharply from Rs. 784.3 thousand in 1968/69 to Rs. 33.3 thousand in 1969/70.

Though value of production in 1970/71 was 81% of that in the previous year, sales increased by 6% because of the vigorous sales promotion campaign adopted to dispose of the accumulated stocks. The Corporation expects to

enhance its production and sales substantially in 1971/72. The production trends in the first two quarters of the year, however, indicate shortfalls in respect of all products.

This Corporation which recorded a profit equivalent to Rs. 168 thousand (or 2.7% of its capital) in 1968/69, incurred a loss in the following year; in 1970/71 the loss multiplied by more than five times the previous years loss. Employment increased from 690 in 1969/70 to 864 persons during this year. The use of local materials, increased from 38% in 1967/68 to 69.4% in 1970/71.

(C) Wood and Wood Products

(a) Ceylon Plywoods Corporation

The Gintota Factory with an annual production capacity of 30 million sq. ft of 3-ply plywood produced 24 million sq. ft by working three shifts in 1970/71. This represents approximately 80 per cent utilization of capacity. Production of tea chests increased from 902,000 in 1969/70 to 1,043,000 in 1970/71. The manufacture of ply boards, flush doors and block boards also increased and the value of production at Rs. 11.4 million in 1970/71 was the highest since the inception of the Corporation. Despite this and a Rs. 3 million increase in sales, profits declined from Rs. 0.6 million in 1969/70 to Rs. 0.1 million in 1970/71. The fall in profits is attributed to the increase in the contributions made to the Employees' Provident Fund from 6 per cent to 15 per cent and the introduction of a revised wage structure for the Corporation employees. The number employed increased from 1199 in 1969/70 to 1226 in 1970/71.

In 1970/71 the Corporation exported 370.5592 cu. metres of ply boards and earned Rs. 312,500 in foreign exchange. Upto 31st March, 1971 the capital employed in production was Rs. 7.05 million; it had a rate of return of 1.57% as against 9.8% in the previous year.

(b) State Timber Corporation

The State Timber Corporation was constituted in 1968 primarily to undertake extraction, sawing and sale of timber, and the establishment of mechanised units for timber extraction. The Corporation took over all the contracts for timber extraction entered into by the Conservator of Forests with private contractors, all equipment used by the Forest Department for extracting timber, saw mills, timber sales depots etc.

The data on actual performance for 1970/71 and the budgeted figures for 1971/72 were not made available.

(D) Paper and Paper Products, Printing and Publishing

(a) Eastern Paper Mills Corporation

In 1970/71 the production of paper was higher than in the previous year on account of the utilization of increased capacity of the plant at Valaichchenai. Meanwhile, paper imports recorded a fall due to import curtailment and availability of surplus stocks. The value of sales of manufactured and imported paper

was higher in 1970/71 but the profits recorded a marginal fall owing to the increased wage bill. In 1971/72 the Corporation has budgeted for a higher output. However, the production trend observed during the first two quarters of the year indicates that production might fall short of the estimated target.

Total investment of the Corporation increased by Rs. 20 million to Rs. 83.9 million in 1970/71. This increase is accounted for by the investment made on the Paper Board Mill at Valaichchenai. The rate of return on capital employed in production was 9.3 per cent.

(b) *State Printing Corporation*

In 1970/71, machinery to the value of Rs. 2.8 million was transferred from the Government Press as contribution towards the capital of the Corporation. The total investment rose by Rs. 3.4 million to Rs. 10.8 million in 1970/71. The Corporation commenced commercial production in October 1970. Over the first six months of production the Corporation incurred a loss of Rs. 692,837.

(E) **Chemicals, Petroleum, Rubber and Plastic Products**

(a) *Paranthan Chemicals Corporation*

The downward trend in the production of Caustic Soda since 1966/67 was arrested in 1970/71, when output increased by 62 per cent over the previous year to reach 1,375 tons representing about 90 per cent of the total capacity. The manufacture of Chlorine also increased from 505 tons in 1969/70 to 576 tons in 1970/71. The Corporation commenced production of Calcium Chloride during the year under review. Hydrochloric acid which was produced previously on an experimental basis was produced commercially. Total production of 192 tons of this product was sufficient to meet the requirements of the country.

The value of production increased from Rs. 2.8 million to Rs. 3.1 million in 1970/71 and the value of sales increased by approximately Rs. 701,000. Profits of the Corporation increased from Rs. 240,027 in 1969/70 to Rs. 648,054 in 1970/71 and the return on capital employed in production was 5.5 per cent.

The steep rise in the prices of imported Caustic Soda from £ 28 to £ 60 per ton compelled the Corporation to increase the selling price of Caustic Soda solid and Caustic Soda flakes at Rs. 1,600 and Rs. 1,700 per ton respectively.

(b) *Ceylon Tyre Corporation*

Since the commencement of commercial production in 1967, the Corporation has progressively increased its output and its commercial profitability. Production of tyres increased from 57,622 in 1967/68 the first year of manufacture to 84,342 in 1970/71 while the production of tubes increased from 62,062 to 99,325 over the same period. However, the production of tyres and tubes in the year under review fell far short of the targets. Capacity utilization continued to be low - 33.6 per cent for tyres and 65.3 per cent for tubes. This low utilization

of capacity was due to the fact that the Corporation had moulds to manufacture only a limited range of tyre sizes which were confined to 11 in 1970/71 as against 6 in the previous year.

The value of overall production increased from Rs. 11.3 million in 1967/68 to Rs. 43.5 million in 1970/71. Profits before tax amount to Rs. 6.2 million in the year under review and represents an increase of 15 per cent over that of the previous year. The increase in commercial profitability was achieved without any upward revision in selling prices. During the year the return on invested capital of Rs. 67.5 million was 9 per cent.

(c) *Ceylon Petroleum Corporation*

Oil Refinery

The total outlay on the Oil Refinery stood at Rs. 186 million in 1971. Production at the refinery declined from 1.7 million metric tons to 1.4 million metric tons in 1971. The manufacture of premium motor gasoline was suspended in January and February 1971 for maintenance work. The production of bitumen was curtailed from 1971 onwards due to the very low off-take. Moreover production at the refinery was also affected by a strike which lasted 2 weeks.

In 1971 the refinery exported naphtha, fuel oil and bunkers worth approximately Rs. 8.4 million in foreign exchange.

The profit and loss figures on the operation of the refinery were not available.

Lubrication Oil Blending Plant

The total capital investment in this plant remained at Rs. 5.5 million in 1970.

The Blending Plant with a production capacity of 4.5 million gallons, produced 3.8 million gallons of lubricating oils in 1971 at a profit of Rs. 4.7 million as against Rs. 3.2 million in the previous year. The return on capital on the Blending Plant was 58 per cent in 1970 and 86 per cent in 1971.

(d) *Ceylon Ayurvedic Drugs Corporation*

This Corporation which was established in 1969 took over the functions of the Ayurvedic Drugs Manufacturing unit of the Small Industries Corporation in July 1969. Capital investment in 1970/71 remained at Rs. 1.4 million. The value of production increased from Rs. 1.1 million in 1969/70 to Rs. 1.2 million during the year under review. In 1970/71 the Corporation made a profit of Rs. 133,000 as against Rs. 130,000 in the previous year. The rate of return on capital was 9.7 per cent in 1970/71.

(f) *State Fertilizer Manufacturing Corporation*

This Corporation which was established in 1966 is expected to set up a Plant for the manufacture of urea with a capacity to produce 864 tons per day. The main raw material for production would be naphtha, a by-product of the Sapugaskanda Oil Refinery, presently exported. The Plant is expected to be commissioned in 1975.

The authorised capital of the Corporation as on 31 st March 1971, stood at Rs. 346 million and total capital contributed by the Government was Rs 49.5 million. The actual expenditure incurred on the development of the factory site etc. was Rs 9.7 million.

(F) Non-Metallic Mineral Products (except Petroleum Products).

(a) Ceylon Ceramics Corporation

During the year 1970/71, the Negombo and Boralesgamuwa factories and sanitaryware section of the Piliyandala factory exceeded their production targets by approximately 8 per cent. In fact, the sanitaryware section recorded a production of 543 tons which is slightly above capacity. Production at the Kaolin Refinery though higher than in the previous year was 28 per cent below capacity because of market limitations. On the other hand, the crockery and wall-tile sections of the Piliyandala factory fell below their targets by 13 per cent and 19 per cent respectively. This could be mainly attributed to the closure of the kilns for major repairs.

The Ceramics Corporation was able to earn an increased profit of Rs 3.3 million during the year 1970/71, due to a substantial increase in the value of sales from Rs 12.9 million in 1969/70 to Rs 16.1 million in 1970/71.

The pricing policy adopted by the Corporation is to obtain profits through a large turnover rather than through higher prices. The everyday utility articles are priced low and the 'sophisticated' articles are priced high. On an average, the margin of profit on sales for crockery is about 15 per cent, sanitaryware 15 per cent, wall-tiles - 29 per cent and kaolin - 3 per cent. The Corporation was able to earn Rs 85,823 in foreign exchange from the export of nearly 500,000 four inch tea saucers.

The Corporation which has been continuously making profits since 1960, showed a return of 16% on the capital employed which amounted to Rs 19.9 million.

(b) Ceylon Cement Corporation

The total investment of the Corporation increased by Rs 58.4 million to Rs 244.1 million in 1970/71. The first stage of the Puttalam Cement factory commenced production during the year under review. The total production of cement has increased from 268,338 tons in 1969/70 to 350,816 tons in 1970/71 while the output of clinker at Kankesanthurai recorded a slight fall. However in spite of a higher turnover, the corporation's profit declined marginally in 1970/71 and the return on capital was 12.9 per cent. In 1971/72 the corporation anticipates a substantial increase in its profit on estimated higher levels of production and sales. The trend in first three quarters indicates that production is likely to be higher than in the previous year.

The first stage of the Puttalam factory which recorded a profit of Rs 4 million in 1970/71 expects to increase its profits by more than threefold in 1971/72.

(c) National Small Industries Corporation

The total capital investment of this corporation has increased by Rs. 1.27 million to Rs 26.13 million in 1970/71. The entire increase in investment has been utilised in the brick and tile factory. Meanwhile, the corporation entered the field of beedi manufacture during the year under review. Also, import and distribution of beedi leaves and the marketing of finished product are undertaken by the Corporation.

The value of production has increased by Rs 1.6 million from Rs 8.03 million in 1969/70 to Rs 9.67 million in 1970/71. However, in spite of a marginal increase in the value of sales, the corporation's loss has increased considerably. The carpentry section has been incurring recurring losses due to the unrealistic prices on intra-governmental sales. In 1971/72, the loss is expected to be higher especially in the case of the carpentry section. The actual performance observed in the first quarter indicates that production and sales are proceeding slightly below targets.

(d) Ceylon Mineral Sands Corporation

The capital investment of this Corporation has increased by Rs 1 million to Rs 16.22 million in 1970/71. Generally, there was an all round increase in production at this Corporation. The production of Ilmenite increased by 15,000 tons or 19 per cent over the previous year and this represented a capacity utilization of approximately 95 per cent. Meanwhile the Corporation produced 121 tons of commercial grade Zircon for the first time during the year. The export of Ilmenite rose appreciably and in 1971/72 it is expected to rise further. On the basis of production trends observed during the first six months of the year it is very likely that production targets would be maintained.

On account of higher output and sales the Corporation increased its profits from Rs 1.5 million in 1969/70 to Rs 1.6 million in 1970/71 representing a return of 10 per cent on capital employed in production.

(G) Basic Metal Industries*(a) Ceylon Steel Corporation*

The Corporation's output in 1970/71 of rolled sections and wire products showed a modest increase and its sales recorded only a marginal increase. Meanwhile, latest available information indicates that production and sales are proceeding much below targets.

The Steel Rolling Mill and the Wire Mill continued to work below capacity. In spite of an increase in prices the Corporation was unable to maintain its previous year's profit level owing to increased costs incurred by the Corporation on account of a rise in prices of imported material. In 1970/71 profit was Rs 1,434 million compared with Rs 2,187 million in the previous year and the return on capital was 1.2 per cent.

(H) Fabricated Metal Products, Machinery and Equipment**(a) State Hardware Corporation**

The value of production of the Corporation has increased by Rs 1.4 million to Rs 5.2 million in 1970/71. Its sales, however, were below the previous year's level owing to strong competition from the private sector. Meanwhile it anticipates to more than quadruple its sales value in 1971/72. On the basis of observed performance in early 1971/72, it is very unlikely that these sales targets could be maintained. Nevertheless, its sales value in the first quarter in 1971/72 was much higher than that of the corresponding period in the previous year.

During the first six months of the year under review the Corporation incurred a loss of Rs 3.5 million indicating that the loss in this year might be higher than in the previous year.

4. OTHER PUBLIC ENTERPRISES**(A) Agriculture, Forestry and Fishing****(a) Ceylon Fisheries Corporation**

In 1970/71 the total investment of the Corporation increased from Rs 84.1 million to Rs 107.0 million representing an increase of 27 per cent. The quantity of fish caught increased from 4.4 million lbs to 5.7 million lbs. and the quantity of fish purchased from 1.7 million lbs to 4.5 million lbs. Over the last few years the Corporation has been incurring recurring losses. The loss in 1969/70 was Rs 11.8 million. The result for 1970/71 has not been assessed.

In 1970/71 the Corporation exported 363,948 lbs. of fish worth Rs 1.0 million in foreign exchange as against 414,848 lbs. in 1969/70 worth Rs 0.6 million in foreign exchange.

(b) Ceylon State Plantations Corporation

The Ceylon State Plantations Corporation managed 13 plantations and 4 factories during the year 1969/70.

Capital investment in the Corporation increased from Rs 33.5 million in 1965/66 to Rs 39.2 million in 1966/67; it declined to Rs 32.0 million in 1967/68 and again increased to Rs 36.3 million in 1968/69. In 1969/70 capital investment stood at Rs 38.4 million of which Rs 31.4 million was on plantations and Rs 7 million was on factories. Total capital investment according to estimates for 1970/71 increased to Rs 40.9 million.

The revenue from the operation of plantations declined marginally from Rs 4.7 million in 1968/69 to Rs 4.4 million in 1969/70 and the profits have increased from Rs 12,000 to Rs 30,000. Profits in 1970/71 are estimated to be Rs 548,000. On the other hand the Corporation's losses incurred on the management of factories increased from Rs 109,000 in 1968/69 to Rs 145,000 in 1969/70. The losses are estimated to have declined to Rs 36,000 in 1970/71. On its overall operations the Corporation incurred a loss of Rs 115,000 in 1969/70 as against a profit of Rs 118,656 in the previous year.

TABLE II C (7)

Ceylon State Plantations Corporation (a)

Items	1966/67	1967/68	1968/69	1969/70	1970/71*
1. Capital Invested (Rs '000) (b)					
On Plantations	39,185	32,000	36,290	38,414	40,967
On Factories	34,000	25,000	29,262	31,386	33,827
	5,185	7,000	7,028	7,028	7,140
2. Plantations					
Numbers	12	15	15	13	13
Acreage	8,654	14,734	14,250	13,015	12,827
Acreage Planted	5,513	6,719	9,699	9,691	9,814
Revenue (Rs. '000)	3 193	5,184	4,740	4,403	5,107
Profit (+) or Loss (-)					
(Rs. '000) (c)	- 350	+ 725	+ 12	+ 30	+ 548
Employment (Nos)	6,441	8,594	7,389	6,202	6,487
3. Factories					
Numbers	3	4	4	4	4
Revenue (Rs. 000)	1,458	1,125	4,175	3,081	3,484
Profit (+) or Loss (-) (c)					
(Rs. '000)	- 134	- 77	- 109	- 145	- 36
Employment (Nos)	192	356	351	298	226
4. Total					
Revenue (Rs. '000)	4,651	6,309	8,951	7,484	8,591
Profit (+) or Loss (-)					
(Rs '000) (c)	+ 16†	+ 295†	+ 11†	- 115	+ 512
5. Employment (Nos)	6,633	8,950	7,740	6,500	6,713

Source: Ceylon State Plantations Corporation.

(a) Figures are for accounting years October to September

(b) Cumulative as at end of accounting year

(c) Profit before Tax

* 1970/71 figures are provisional.

† Revised figures based on Auditor General's Report.

(B) Transport, Storage and Communications**(a) Ceylon Government Railway-**

The total investment at the end of the financial year 1969/70 of Rs. 687.5 million is estimated to have increased by approximately Rs. 1.7 million to Rs. 689.2 million at the end of 1970/71.

The number of passengers carried is estimated to have decreased from approximately 85 million in 1969/70 to 83 million in 1970/71. Passenger mileage during the year under review however, shows a greater increase than in the previous year. Passenger receipts are estimated to have declined to Rs. 44.6 million from Rs. 60.3 million in 1969/70.

Despite the competition from road transport the volume of goods traffic has shown a marginal increase of 0.1 million tons. Total revenue from goods transport increased by Rs. 4.6 million although ton-mileage of goods declined by 22.4 million.

Total estimated revenue of the railway increased by Rs. 1.8 million while the estimated increase in expenditure was Rs. 3.0 million. The greater increase in expenditure offset the smaller increase in revenue and the overall loss is estimated to have reached the 1968/69 peak of Rs. 57.4 million.

(b) *Ceylon Transport Board-*

Certain salient features of the Board's operations during the five years ending 1970/71 are shown in Table II (C) 8.

Total capital investment by the Board increased by Rs. 56.1 million to Rs. 376.5 million in 1970/71. Of this increase Rs. 42.4 million was in respect of vehicles, while the balance of Rs. 13.7 million was on depot expansion.

The vehicles fleet owned by the Board increased by 489 to 6,412 in 1970/71. The operational stock of buses increased by 191 and the effective available stock by 166.

In 1970/71 the scheduled mileage increased by 26.1 million miles while the operated mileage increased by 2.7 million miles. Lost mileage caused by break - downs and non-availability of crews at the required times increased to 62.6 million miles as against 42.8 million miles in 1969/70. Dead mileage due to empty travel of buses from garages to starting points etc., was reduced slightly.

Employment at the Board continued to increase and in 1970/71 the total work force was 47,792 or 6,960 more than in the previous year. This increase in employment is more than 14 times the increase in the number of buses. In 1966/67, the number of employees per bus on available effective fleet was on an average 8.2 and in 1970/71 was 10.2.

The Board's revenue increased by Rs. 18.2 million to Rs. 306.2 million and expenditure increased by Rs. 47.3 million to Rs. 369.4 million in 1970/71. The greater increase in expenditure offset the increase in revenue and resulted in the Board operating at a loss of Rs. 63.2 million in 1970/71 as against a loss of Rs. 34.2 million in the previous year. In June, 1971, the Board put up the fares in all sectors.

(c) *Colombo Port Commission-*

In September 1971 the estimated capital investment by the Port Commission on the basis of a 1955 valuation of assets amounted to Rs. 343.8 million. With the development work in the current year, it is expected to increase to Rs. 380.9 million. A substantial portion of this investment has been in the Port of Colombo.

Revenue which has shown an upward trend since 1967/68 increased to Rs. 50.6 million in 1970/71. Owing to the increased maintenance cost resulting from higher cost of material, the payment of higher wages and overtime to employees on consolidated salaries and increased cost of three meals supplied to port workers, working expenditure which has been increasing over the years rose to Rs. 30.6 million in 1970/71. The increase in revenue offset the increase in expenditure and the Port Commission has recorded an overall surplus of Rs 3 million in 1970/71 as against a deficit of Rs. 4.4 million in the previous year.

TABLE II (C) 8

Transport, Storage and Communication

Ceylon Government Railway ¹	1966/67	1967/68	1968/69	1969/70	1970/71*
1. Capital Invested ² (Rs. '000)	614,300	639,132	665,679	687,454	689,230
2. Track Mileage (Miles)	1,053	1,053	1,076	1,080	1,080
3. Vehicles (Nos.)	8,067	7,353	7,484	7,400	7,390
(a) Locomotives	355	344	393	328	328
(b) Carriages	7,712	7,009	7,091	7,072	7,062
4. Traffic Carried					
(a) Passengers (Mln.) ⁴	78.6	81.5	85.5	84.62	82.86
(b) Goods (Mn. tons) ⁵	1.8	1.8	1.8	1.70	1.78
5. Traffic Mileage					
(a) Passenger mileage (Mn. Passenger miles)	1584.9	1678.3	1781.2	1825.8	1884.1
(b) Goods Mileage (Mn. ton miles)	211.9	221.5	220.0	228.3	205.9
6. Total Revenue (Rs. '000)	102,100	106,769	109,681	117,042	118,831
(a) Passengers	50,600	53,944	57,038	60,293	44,637
(b) Goods	43,300	44,154	43,913	46,337	50,975
(c) Other	8,200	8,671	8,730	10,412	23,219
7. Total Expenditure ⁶ (Rs. '000)	148,300	168,844	140,679	144,010	147,010
8. Profit (+) or Loss (-) (Rs. '000) ⁷					
(a) On working	-22,869†	-22,900	-30,988	-27,022	-28,178
(b) Overall	-46,164†	-47,666	-57,438	-55,122	-57,438
9. Employment					
(a) Employed Number ⁸	26,038	24,965	23,826	25,388	26,169
(b) Total Wage Bill (Rs. '000) ⁹	82,600	87,250	98,576	105,201	108,514
Ceylon Transport Board ¹	1966/67	1967/68	1968/69	1969/70	1970/71
1. Capital Invested ² (Rs. '000)	235,015	246,110	267,369	320,392	376,494
(a) Vehicles	188,799	195,349	211,506	251,942	294,364
(b) Other	46,216	50,761	55,863	68,450	82,130
2. Vehicle Fleet (Nos.)					
(a) Owned	5,056	5,457	5,881	5,923	6,412
(b) Operating Stock	4,363	4,721	5,110	5,625	5,816
(c) Available Effective	3,937	3,772	4,077	4,524	4,690
(d) Required	4,167	3,939	4,085	4,724	4,957
(e) Operated Average	3,599	3,700	3,935	4,170	4,409
3. Mileage (Mn. Miles)	222.0	239.4	249.9	269.5	295.6
(a) Scheduled	205.9	211.2	217.4	233.8	236.5
(b) Operated	21.3	28.2	32.5	42.8	62.6
(c) Lost	2.3	2.3	1.9	1.5	1.2
(d) Dead					
4. Capacity Utilization					
(a) Total seat miles (Mn. miles)	10,868.6	11,386.8	11,643.5	12,333.7	12,266.1
(b) Total passengers carried (Mn. nos.)	1,144.8	1,250.1	1,313.6	1,357.7	1,337.0
(c) Total passenger miles (Mn. miles)	6,183.9	6,823.5	7,156.5	7,394.4	7,377.4
(d) Load Factor (%)	56.9	59.9	61.5	60.0	60.1
(e) Average Vehicle Utilization (Miles per day)	157	157	157	154	147
5. Revenue (Rs. '000)	241,000	265,600	279,500	287,916	306,159
(a) Passenger Fares	236,000	259,600	273,600	280,143	297,661
(b) Other	5,000	6,000	5,900	7,773	8,498

1. As at end of accounting year October-September, except for Port Cargo Corporation whose financial year is from August-July. Some figures are being rounded off to the nearest '000.

2. Cumulative as at end of financial year. 3. Based on valuation of Colombo Port assets in 1955, which amounted to Rs. 177.4 million. 4. Included season ticket travel computed on the basis of 50 journeys a month. 5. Including non-paying goods transport. 6. Includes annuities and interest. 1969/70 and 1970/71 figures exclude them. 7. Profit before taxation.

8. As at end of year 9. Includes Superannuation.

TABLE II (C) 8
Transport, Storage and Communication

Ceylon Transport Board¹	1966/67	1967/68	1968/69	1969/70	1970/71*
6. Expenditure ¹⁰ (Rs. '000)	237,900	272,900	292,200	322,100	369,398
7. Wage Bill (Rs. '000)	125,000	149,700	163,300	180,300	197,102
8. Employments ⁸ (Nos.)	32,165	37,547	40,097	40,832	47,792
9. Profit (+) or Loss (-) ⁷ (Rs. '000)	+ 1,448	- 7,195	-14,046	-34,187 ¹³	-63,239
Air Ceylon Limited¹	1966/67	1967/68	1968/69	1969/70	1970/71*
1. Value of Assets ² (Rs. '000)	13,303	13,698	22,149	80,304	140,304
2. Passengers & Goods carried					
(a) Passengers (Nos.)	82,286	80,880	78,666	98,351	119,479
(b) Goods (tons)	513	550	523	576	630
3. Passenger & Ton Mileage					
(a) Passenger Mileage ('000)	64,547	60,577	59,619	69,545	69,710
(b) Goods Ton Mileage ('000)	7,170	7,322	1,883	1,779	1,620
4. Capacity Utilization (Load Factor %)					
(a) Internal Services	38.2	56.4	67.1	59.6	53.5
(b) Regional Services	50.5	50.3	43.1	31.8	33.0
(c) International Services	42.4	48.0			
5. Total Revenue (Rs. '000)	10,348	10,593	3,274	17,546	19,097
6. Total Expenditure (Rs. '000)	6,551	7,952	1,279	18,237	23,218
7. Profit (+) or Loss (-) ⁷ (Rs. '000)	+ 3,244†	+2,571	+ 1,995†	- 691	- 4,121
8. Employments ⁸ (Nos.)	584	553	609	681	n.a.
Ceylon Shipping Corporation	—	—	—	1971	1972*
1. Capital contributed by the Govt. (Rs. '000)	—	—	—	8,160	17,660
2. Total Income (Rs. '000) of which foreign exchange earnings	—	—	—	1,765	2,002
3. Total Expenditure (Rs. '000)	—	—	—	1,010	1,292
4. Profit (+) / Loss (-) ⁷ (Rs. '000)	—	—	—	+ 755	+ 710
5. Employment ⁸ (Nos)	—	—	—	108	116
Colombo Port Commission¹	1967/68	1968/69	1969/70	1970/71	1971/72*
1. Capital Invested ^{2 3} (Rs. '000)	305,053	312,294	326,772	343,761	380,983
(a) Colombo Port	273,382	280,443	289,059	303,852	337,691
(b) Galle Port	25,784	29,087	31,914	33,610	34,169
(c) Trincomalee Port	1,399	1,806	2,100	2,331	4,551
(d) Other Ports	—	958	3,699	3,968	4,572

10. Includes interest paid on Government Loans. 11. Amended 12. Approved Cadre. Not actual.
13. Without bonus and provision for redundant stores.

TABLE II (C) 8
Transport, Storage and Communication

Colombo Port Commission¹	1967/68	1968/69	1969/70	1970/71	1971/72
2. Revenue (Rs. '000)	36,328	41,029	44,414	50,574	66,103
(a) Colombo Port	35,959	40,750	44,048	50,309	65,415
(b) Out Ports	369	279	366	265	688
(i) Galle Port	30	33	60	72	75
(ii) Trincomalee Port	244	217	266	179	562
(iii) Other Ports	95	29	40	14	51
3. Working Expenditure (Rs. '000)¹⁵	23,265	n.a.	30,419	30,550	41,639
(a) Colombo Port	22,370	26,762	30,015	29,785	40,814
(b) Other Ports	215	n.a.	379	742	800
(c) Coast Protection	663	n.a.	25	23	25
4. Surplus (+) or Deficit (-)¹⁴ (Rs. '000)	+13,743	+ 6,590	- 4,448	+ 3,031	-12,758
(a) Colombo Port	+13,589	n.a.	+5,252	+ 5,728	- 9,238
(b) Other Ports	+ 154	n.a.	- 9,700	- 2,697	- 3,520
5. Employment⁸ (Nos.)	n.a.	8,489	8,647	9,013	8,332
Port Cargo Corporation¹	1966/67	1967/68	1968/69	1969/70	1970/71[*]
1. Capital Invested (Rs. '000)	52,700	64,200	51,637	53,608	54,324
(a) Colombo	50,100	58,100	50,137	50,137	50,137
(b) Galle	2,600	6,100	1,500	1,500	1,500
(c) Trincomalee	—	—	—	1,971	2,677
2. Goods Handled ('000 tons)	3,093	3,185	3,531	3,071	2,984
(a) Colombo	3,040	2,906	3,223	2,757	2,729
(b) Galle	53	56	47	59	62
(c) Trincomalee	—	223	261	255	193
3. Revenue (Rs. '000)	75,800	86,700	115,500	123,560	119,300
(a) Colombo	74,700	80,200	105,662	114,484	110,110
(b) Galle	1,100	1,100	1,406	1,158	1,655
(c) Trincomalee	—	5,400	8,487	7,918	7,600
4. Expenditure (Rs. '000)	80,600	101,200	113,695	122,079	129,485
(a) Colombo	77,700	90,800	98,276	105,514	112,161
(b) Galle	2,900	3,100	3,294	3,622	4,101
(c) Trincomalee	—	7,300	12,125	12,923	13,223
5. Profit (+) or Loss (-) (Rs. '000)	- 4,239	-13,626	+ 1,861	+ 1,481	-10,120
(a) Colombo	- 2,483	- 9,738	+ 7,386	+ 8,970	- 2,051
(b) Galle	- 1,756	- 1,991	- 1,888	- 2,464	- 2,446
(c) Trincomalee	—	- 1,897	- 3,637	- 5,025	- 5,623
6. Employment⁸ (Nos.)	17,974	20,188	20,170	19,632	19,829
(a) Colombo	17,336	17,077	16,891	16,425	16,665
(b) Galle	638	631	847	854	817
(c) Trincomalee	—	2,480	2,432	2,353	2,347
7. Wage Bill (Rs. '000)	67,700	83,000	95,780	102,605	109,035
(a) Colombo	65,200	74,400	83,199	88,881	94,081
(b) Galle	2,500	2,800	2,995	3,367	3,829
(c) Trincomalee	—	5,800	9,586	10,357	11,125
Postal & Telecommunication Services¹⁶ 1	1965/66	1966/67	1967/68	1968/69	1969/70[*]
1. Capital Invested¹ (Rs. '000)	105,200	114,500	121,438	130,569	141,092
2. Postal Service (Rs. '000)					
(a) Income	52,500	51,500	58,524	62,428	62,878
(b) Expenditure	46,500	51,400	55,931	58,832	65,323
(c) Net Profit (+) or Loss (-)	+ 6,000	+ 100	+ 2,593	+ 3,596	- 2,445
3. Telegraph Service (Rs. '000)					
(a) Income	17,900	20,000	26,686	24,229	27,451
(b) Expenditure	19,700	22,200	27,983	26,448	29,162
(c) Net Profit (+) or Loss (-)	- 1,800	- 2,200	- 1,297	- 2,219	- 1,711
4. Telephone Service (Rs. '000)					
(a) Income	22,900	26,100	26,319	29,975	34,281
(b) Expenditure	24,700	24,300	27,872	30,616	34,589
(c) Net Profit (+) or Loss (-)	- 1,800	+ 1,900	- 1,553	- 641	- 308
5. Operating Results (Rs. '000)					
(a) Total Income	94,200	98,700	112,567	117,639	125,789
(b) Total Expenditure	91,900	99,000	112,886	117,043	130,275
(c) Net Profit (+) or Loss (-) ⁷	+ 2,300	- 300	- 319	+ 596	- 4,486
6. Employments (Nos.)	22,187	22,117	23,421	23,683	23,884

Source: Data furnished by the respective institutions.

14. The Port Commission like most Government departments maintains accounts on a revenue and expenditure basis. 15. Recurrent expenditure. 16. Including Overseas Telecommunication Services. * Estimates † Revised figures based on Auditor General's Report.

(d) Port Cargo Corporation-

Certain salient aspects on the operations of the Corporation during the last five financial years (August to July) are shown in Table II (C).8

The capital investment of the Corporation at the end of July 1971 was Rs. 54.3 million, representing an increase of Rs. 0.7 million over the previous year. This increase was in respect of the Trincomalee Port.

The tonnage of cargo handled by the Corporation which declined from 3.5 million tons in 1968/69 to 3.1 million tons in 1969/70 is estimated to have fallen to 2.9 million tons in 1970/71. This was primarily due to the decline in the cargo handled at the Ports of Colombo and Trincomalee.

A Rs. 4.2 million reduction in revenue and a Rs. 7.4 million increase in expenditure primarily due to the increase in the wage bill resulted in the Corporation recording an estimated loss of Rs. 10.1 million on its operations in 1970/71 as compared with a profit of Rs. 1.5 million in the previous year.

(e) Port Tally and Protective Services Corporation-

The capital investment by the Corporation as at end of 1970/71 remained at Rs. 459,869. Total expenditure increased by Rs. 0.3 million to Rs. 7.0 million in 1970/71 while the total income of the Corporation from services rendered declined by Rs. 0.9 million to Rs. 5.3 million. The increase in expenditure and fall in income resulted in the Corporation increasing its loss (before tax and FEECs) by Rs. 1.2 million to Rs. 1.7 million in 1970/71.

(f) Postal and Telecommunication Services-

Capital expenditure increased from Rs. 130.6 million in 1968/69 to Rs. 141.1 million in 1969/70. The increase in capital expenditure was mainly for the expansion of the Post and Telecommunication Services. The expenditure on postal services increased by Rs. 6.5 million in 1969/70 primarily on account of wage increases, while income increased by Rs. 0.5 million. A small increase in income was offset by the greater increase in expenditure and consequently the deficit of Rs. 2.5 million from postal services as against a surplus in the previous year. In the case of telegraphic services the increased income resulting from the increase in rates and the share of revenue from collections on telephones and overseas telecommunication services offset a small increase in expenditure and the overall loss fell to Rs. 1.7 million in 1969/70 from Rs. 2.2 million in the previous year.

The increased income from telephone services in 1969/70 resulting from the increase in the licence fees and rates set off a small increase in expenditure and the overall deficit has been reduced to Rs. 308,000 from Rs. 641,000 in 1968/69.

The commercial accounts of the department have shown an overall loss of Rs. 4.5 million in 1969/70 as against a profit of Rs. 0.6 million in 1968/69 and a loss of Rs. 0.3 million in 1967/68.

(C) Wholesale and Retail Trade**(a) Co-operative Wholesale Establishment-**

The working capital which has increased steadily until 1969, has recorded a fall of Rs. 34.4 million in 1970. Of this fall, Rs. 18.7 million was accounted for by its contribution to the consolidated fund. Sales were almost static but total expenditure was higher than in the previous year. The C.W.E. made a profit of Rs. 17.2 million in 1970 as against a profit of Rs. 26.8 million in 1969. The drop in profits is attributed to the Food Commissioner taking over the wholesale distribution of sugar.

Final data in respect of employment are not available. Certain basic statistics relating to the C.W.E. for five years ending 1971 are given in Table II (C).9

(b) Ceylon Petroleum Corporation-

Since the end of 1969 the Corporation shifted from the import of refined petroleum products to purchases from its own Refinery and Blending Plant. The total income which has risen steadily over the years stood at Rs. 406.4 million in 1970. Increase in sales income was much higher in 1970 than the corresponding increase in the previous year despite a decrease in the quantity of oil sold.

Net trading profit has increased progressively in recent years and the increase in 1970 was Rs. 6.4 million or 2 per cent over the previous year. Meanwhile a sharp increase of 60 per cent in profits is anticipated in 1970 on account of higher sales.

Sale of auto diesel and kerosine recorded an increase while sale of industrial diesel and furnace oil showed a decline.

The Corporation took over the bunkering operations from January, 1971. The take over of aviation refueling was made possible by the fact that the Refinery commenced production of aviation turbine fuel in mid 1971.

(c) Ceylon Fertilizer Corporation-

The imports of raw material and the mixing of fertilizer by the Corporation increased progressively over the years. In 1970/71, the imports showed a further increase of 44,497 tons or 22 per cent over the previous year. This is attributed to the increased consumption of fertilizer under the governments agricultural development programme. The total turnover too recorded a corresponding increase but the profit declined from Rs. 10.63 million in 1969/70 to Rs. 9.07 million in 1970/71 owing to the increase in import prices from the second half of 1970.

Although a substantial rise in the sales revenue is anticipated in 1971/72, the profit is estimated to rise only marginally. In 1970/71, employment has recorded a considerable increase due to the expansion of trading activities of this corporation

TABLE II (C) 9
Wholesale and Retail Trade

Ceylon Petroleum Corporation	1968	1969	1970	1971**
1. Capital Invested¹ (Rs. '000)	n.a	198,859	195,688	176,706
(a) Trading Network	n.a	35,974	47,726	42,814
(b) Oil Refinery	n.a	157,918	144,531	130,129
(c) Blending Plant	n.a	4,957	4,375	3,731
(d) Seismic Survey	n.a	10	56	32
2. Oil Imports and Purchases (Mn. glns)²	226.9	526.6	469.4	399.7
(a) Crude Oil	—	361.5	469.4	399.7
(b) Gasoline	42.2	31.2	—	—
(c) Auto Diesel	55.9	43.4	—	—
(d) Industrial Diesel	23.0	20.4	—	—
(e) Furnace Oil	40.9	17.7	—	—
(f) Kerosene	64.9	52.4	—	—
3. Oil Sales (Mn. glns)²	230.4	270.7	255.0	251.5
(a) Gasoline	43.3	43.7	43.7	42.0
(b) Auto diesel	55.9	60.5	65.3	68.0
(c) Industrial Diesel	25.4	23.7	22.6	24.0
(d) Furnace Oil	40.9	73.5	47.1	40.0
(e) Kerosene	64.9	69.3	76.3	77.5
4. Income (Rs. '000)	358,750	377,100	406,384	464,814
(a) Oil Sales	355,630	374,058	401,298	460,963
(b) Other	3,120	3,042	5,086	3,851
5. Expenditure (Rs. '000)	343,299	344,444	380,821	420,532
(a) Cost of purchases of products Sold	300,140	292,632	329,395	367,931
(b) Other	43,159	51,812	51,426	52,601
6. Net Trading Profit (+)³ (Rs. '000)	+15,456*	+32,655	+39,030	+62,600
7. Employment (Nos.)⁴	2,288	2,715	2,756	3,014
Co-operative Wholesale Establishment	1968	1969	1970	1971**
1. Capital Working (nett) (Rs. '000)	98,107	100,863	66,448	n.a
2. Total Turnover - (Rs. '000)	758,066	397,631	397,260	433,628
3. Total Expenditure (Rs. '000)	684,838	365,132	380,040	438,044
4. Profit (+) or Loss -)⁴ (Rs. '000)	+42,436	+26,841*	+17,218	-4,416
5. Employment (Nos.)⁴	5,205	5,301	5,233	6,051
Ceylon Fertilizer Corporation¹	1968/69	1969/70	1970/71	1971/72⁵
1. Capital Invested - (Rs '000)	n.a	11,857	13,889	28,539
2. Imports of Fertilizer (Tons)	237,945	157,288	201,785	299,613
3. Value of Imports (c.i.f. Rs '000)	74,433	50,455	66,916	96,673
4. Sales Quantity - (Tons)	173,069	186,433	201,680	299,613
5. Sales Value - (Rs '000)	104,678	91,401	102,166	148,975
6. Profit (+)/Loss (-)³ (Rs '000)	+11,300*	+10,625	+9,071	+9,682
7. Employment - (Nos.)	212	271	372	592
Sri Lanka State Trading (General) Corporation¹	—	—	1971	1972**
1. Capital contributed by the Government (Cumulative) (Rs '000)	—	—	5,000	5,000
2. Expenditure	—	—	—	—
(a) Value of Imports (C.i.f. Rs '000)	—	—	98,019	97,752
(b) Other Expenditure	—	—	3,062	6,409
3. Income (Rs '000)	—	—	—	—
(a) Total value of Sales	—	—	72,519	113,577
(b) Other Income	—	—	148	231
4. Profit (+)/Loss (-)³ (Rs '000)	—	—	+6,356	+10,133
5. Employment (Nos.)	—	—	320	332

Source: Data furnished by the respective Corporations

- 1 Cumulative as at end of year January-December except for Ceylon Fertilizer Corporation financial year April-March.
- 2 Figures for 1968 and part of 1969 refer to imports and sale of oil and figures for 1970, 1971 and part of 1969 refer to purchases of oil from local refinery. The oil refinery commenced commercial production and sales in October 1969.
- 3 Profit before taxation
- 4 As at end of year.
- 5 Budgeted figure for the period 1.4.71-31.12.71

** Budgeted figures.

* Revised figures based on Auditor General's Report.

(D) Construction-**(a) State Engineering Corporation-**

Total capital investment after setting off losses is estimated to be Rs. 14.9 million in 1970/71 as against Rs. 20.7 million in 1969/70. The value of assets is estimated at Rs. 43.9 million in 1970/71 as against Rs. 41.9 million in the previous year.

The Corporation undertook Rs 32.5 million worth of contracts in 1970/71 and the value of contracts outstanding at the end of the year was Rs 209.2 million. According to estimates its income in 1970/71 was Rs 28.8 million as against Rs 10.6 million in 1969/70. Despite this increase in income, the Corporation is estimated to have incurred a loss of Rs 5.7 million during the year under review, as against a loss of Rs 7.8 million in the previous year.

TABLE II (C) 10**Construction**

State Engineering Corporation a.c.	1966/67	1967/68	1968/69*	1969/70*	1970/71^c
1. Capital Invested(c) (Rs. '000)	19,655	29,330	26,588	20,714	14,974
2. Value of Assets (Rs. '000)	79,100	95,250	30,646	41,864	43,864
3. Output (Rs. '000)					
i. Value of contracts undertaken during the year	140,200	46,685	95,346	59,703	32,533
ii. Value of consulting and other services provided during the year	160	210	72	41	n. a.
iii. Value of contracts outstanding at the end of year	179,500	198,500	96,077	173,670	209,236
4. Income (Rs. '000)	20,540	36,108	6,424	10,579	28,821
i. Construction & consultancy	20,527	36,082	6,265	9,862	26,419
ii. Other	13	26	159	717	2,402
5. Expenditure (Rs. '000) (d)	26,600	32,030	3,731	18,423	34,561
6. Profits (+)/Loss (-) (Rs. '000d)	-891†	-3,700†	+2,693	-7,844	-5,740
7. Employment — (Nos.)	6548	11,616	12,123	15,533	14,582
i. Labour	5,444	10,116	10,927	13,610	13,605
ii. Other	1,104	1,500	1,196	1,923	977
Colombo District (Low Lying Areas) Reclamation & Development Board (b)	1967/68	1968/69	1969/70	1970/71^c	1971/72
1. Capital Invested (c) (Rs. '000)	n. a.	811	2,857	4,250	10,000
2. Acreage of land reclaimed	—	—	13.3	10.5	53.9
3. Value of land reclaimed (Rs. '000)	—	—	5,075	4,200	16,000
4. Revenue (Rs. '000)	—	250	—	—	n. a.
5. Expenditure (Rs. '000)	—	1,017	1,741	1,677	7,467
6. Surplus (+) or Deficit (-) (Rs. '000)	—	-196	-303†	-1951†	+8533
7. Employment (Nos.)	5	43	65	78	77

Source: Data furnished by respective Corporations.

(a) For accounting years April to March.

(b) For accounting years October to September.

(c) Cumulative as at end of accounting year. (after setting off losses)

(d) Before tax.

(e) Latest figures are budgeted.

† Revised figures based on Auditor General's Report 1969/70.

• Provisional. 1969/70 and 1970/71 figures are to be audited and therefore subject to change.

(b) Colombo District (Low-lying) Reclamation Board-

The capital investment which has shown an increase of Rs 1.39 million to Rs 4.25 million is estimated to show a more than two-fold increase in 1971/72. Acreage of land reclaimed declined from 13.3 acres in 1969/70 to 10.5 acres in 1970/71. Reduction in area reclaimed was due to breakdown of the Dredger belonging to the State Engineering Corporation (contractor to the Board). The Board did not sell any lands reclaimed during the period 1969/70-1970/71.

*(E) Electricity, Gas and Water-**(a) Ceylon Electricity Board-*

The Ceylon Electricity Board was established on 1st November, 1969 and the year 1970 was the first full year of its operations. Data on the operations of the Board in 1969/70 (1st October 1969 to 31st December, 1970) along with comparable data pertaining to the former Department of Government Electrical Undertakings are shown in Table II C 11.

Capital investment increased from Rs 741.9 million in 1968/69 to Rs 867.9 million at the end of December 1970. Total expenditure incurred during the fifteen months period ending December 1970 was Rs 94.6 million while expenditure in the financial year 1968/69 (October-September) was Rs 72.4 million. The significant increase in expenditure during the period under review could be attributed to the provision of Rs 17.2 million for depreciation included in overhead expenditure. Total revenue during the same period increased to Rs 122.2 million, largely, on account of increased earnings from Electricity sales. The Board earned a profit of Rs 28.3 million during the 15 months period ending December 1970, while the profit from operations in 1968/69 (12 month period) was Rs 9.2 million.

The Board's financial year is now the calendar year. Data relating to 1971 were not made available.

TABLE II (C) 11

Electricity Board

		1966/67	1967/68	1968/69	1969/70
Ceylon Electricity Board(a)					
1. Capital Invested(b)	Rs. '000	579,400	649,800	741,900	867,800
2. Capacity (Megawatts)					
i. Installed capacity		181.0	181.0	262.0	262.0
(a) Hydro Power		111.0	111.0	192.0	192.0
(b) Thermal Power		70.0	70.0	70.0	70.0
ii. Effective capacity		154.3	168.5	225.0	225.0
3. Power generated and Sold	Mn. Kwt.				
i. Units generated		560.8	594.4	701.0	974.0
ii. Units available(c)		547.3	581.4	688.0	966.0
iii. Units lost in transmission etc.		75.5	70.4	103.0	149.0
iv. Units sold		471.7	511.0	585.0	817.0
4. Electricity sales	Mn. Kwt.	471.8	511.1	585.0	817.0
i. Domestic		27.9	53.2	57.0	78.0
ii. Commercial		71.8	77.8	79.0	109.0
iii. Industrial		224.5	250.5	294.0	412.0
iv. Local authorities		123.1	121.8	147.0	205.0
v. Other(d)		4.5	7.8	8.0	13.0
5. Total Revenue	Rs. '000	64,900	73,200	81,700	122,280
i. Electricity sales		61,600	69,800	78,200	117,620
ii. Other		3,300	3,400	3,500	4,660
6. Plant Utilization Factor(e)	Percent	35.3	39.4	30.5	33.1
7. Total Expenditure of which:	Rs. '000	53,100	64,100	72,400	94,620
i. Generation		6,400	10,300	12,200	9,440
ii. Transmission		3,000	3,300	3,900	8,240
iii. Distribution		3,400	3,500	4,400	8,250
iv. Overheads(f)		6,800	8,500	11,100	37,170
v. Interest & annuities		33,500	38,500	40,800	31,520
8. Profit (+) or Loss (-)(g)	Rs. '000	+9,000	+8,500	+9,200	+28,300
9. Employment(h)	Nos.	5,600	5,869	6,253	5,970

Source: Ceylon Electricity Board.

(a) For accounting years October-September. Figures for 1969-70 are for 15 months from October 1969 to December 1970. Figures for 1970/71 are not available.

(b) Cumulative as at end of year.

(c) Units generated less units used in stations.

(d) Including Gal Oya Development Board, Public lighting etc.

(e) Average ratio of Plant utilization.

(f) Head Office etc.

(g) Before taxation.

(h) As at end of year.

(b) Water Resources Board

TABLE II (C) 12

Water Resources Board ¹	1967/68	1968/69	1969/70	1970/71	1971/72**
1. Capital Receipts ² (Rs. '000) ..	76	300	300	300	425
2. Income ..	76	301*	370	370	425
3. Expenditure ..	244*	273*	370	370	425
4. Surplus (+) or Deficit (-) ³ ..	- 167*	+ 27*	—	—	—
5. Employment ⁴ (Nos) ..	20	28	28	28	31

Source: Water Resources Board.

1. For the accounting year October–September.
1971/72 figures are budgeted figures.
2. As grants.
3. Income less expenditure.
4. As at end of year
- * Revised figures based on Auditor General's Report.
- ** Estimate.

(F) Financing, Insurance, Real Estate and Business Services—

(a) Insurance Corporation of Ceylon

In 1970, the Corporation improved its performance over the previous year. The number and value of life insurance policies issued and outstanding increased progressively in recent years, although the increase in 1970 was slower than in the preceding year. Premium income has recorded a steady increase and the amount in the Life Assurance Fund at the end of 1970 was Rs 168.8 million as against Rs 127.8 million in 1969. In 1970 the ratio of expense to income has shown a marginal decline of 0.4 per cent from 31.6 per cent in 1969 to 31.2 per cent in 1970.

In 1970 the Corporation enhanced its profits from Fire Insurance and Marine Insurance. However, the premium income from these activities declined. Meanwhile the Corporation incurred a loss of Rs 1.9 million in 1970 from General Accident Insurance as against a profit of Rs 1.9 million in the previous year.

TABLE II (C) 13

Insurance Corporation^(a)

Item	1967	1968	1969	1970
1. Capital Contributed (Rs. '000)	10,000	10,000	10,000	10,000
2. Life Insurance				
No. of Life policies in force	106,850	121,828	149,603	151,015
Value of life policies in force (Rs. '000)	549,000	676,200	896,600	997,800
Premium Income (Rs. '000)	27,600	36,800	43,296	51,355
Claims (NOS)	1,600	1,700	2,530	n. a.
Life Assurance Fund (Rs. '000)	71,299	97,838	127,878	168,813
Total Income (Rs. '000)	32,001	37,318	49,971	61,044
Total Expenditure (Rs. '000)	9,900	13,154	19,931	20,108
Surplus (+) or Deficit (-) (Rs. '000)	+22,101	+29,046	+33,039	n. a.
Expense Ratio (Percent)	30.9	31.1	31.6	31.2
3. Fire Insurance (Rs. '000)				
Net Premium	19,158	20,303	25,839	23,100
Net Claims paid and outstanding	3,359	5,261	5,731	7,584
Surplus (+) or Deficit (-)	+17,410	+12,768	+12,929	+15,326
Underwriting reserve	12,427	13,151	16,795	15,015
4. General Accident Insurance (Rs. '000)				
Net Premium	24,567	28,975	35,111	32,797
Net Claims paid and outstanding	24,100	29,300	42,665*	45,972
Surplus (+) or Deficit (-)	+ 4,292	+ 2,594*	+1,947*	- 1,928
Underwriting reserve	15,968	18,877*	n. a.	n. a.
5. Marine Insurance (Rs. '000)				
Net Premium	2,878	3,799	7,934	6,295
Net Claims paid and outstanding	2,958	3,827	4,211	8,304
Surplus (+) or Deficit (-)	+ 1,140	+ 1,151*	+ 1,249*	+ 3,821
Underwriting Reserve	2,813	3,626	7,944	6,295
6. Employment	1,388	1,505	1,617	1,901

Source: Insurance Corporation.

^(a) Figures are for financial year January to December.

● Revised figures based on Auditor General's Report — 1969/70.

Table II (C) 14
Other Financial Institutions¹

	(Capital Rs. '000)					Profit (+) or Loss (-) (Rs. '000) ²					Employment Numbers				
	66/67	67/68	68/69	69/70	70/71*	66/67	67/68	68/69	69/70	70/71*	66/67	67/68	68/69	69/70	70/71*
1. Central Bank (Jan. - Dec.) ..	15,000	15,000	15,000	15,000	15,000	+2,539†	+ 4,751‡	+ 6,878‡	+ 1,000	+ 1,000	1,447	1,510	1,476	1,531	1,561
2. Bank of Ceylon (Oct. - Sept.) ..	4,500	4,500	4,500	4,500	4,500	+9,401	+14,702	+15,899	+15,217	+19,680	1,936	2,085	2,319	2,486	2,558
3. People's Bank (Oct. - Sept.) ..	5,656	5,659	5,663	5,664	6,334	+1,660	+ 1,582**	+ 2,302**	+ 9,602	+10,187	1,676	1,847	2,029	2,317	2,639
4. Agricultural & Industrial Credit Corporation (Oct. - Sept.) ..	29,351	29,350	29,350	29,350	29,350	+ 745	+ 593	+ 646	+ 747	+ 840	43	45	52	56	53
5. Ceylon Savings Bank (Jan. - Dec.) ..	n. a.	n. a.	n. a.	n. a.	n. a.	+ 956	+ 808	+ 948	—	—	80	84	85	n. a.	n. a.
6. State Mortgage Bank (Oct. - Sept.) ..	5,022	6,004	8,314	10,902	n. a.	+ 725	+ 693	+ 485	+ 264‡	+ n. a.	57	72	86	n. a.	n. a.
7. Development Finance Corporation (Apr. - March) ..	8,000	8,000	8,000	24,000†	24,000†	+ 848	+ 1,803	+ 884	+ 1,600	+ 1,900	17	25	33	45	46

1. Figures are for the financial year of the institutions as indicated.

2. Before tax.

* Provisional.

‡ Revised figures based on Auditor General's Report.

† Includes Rs. 8.0 million as share capital and 16.0 million interest free Govt. Loan

(G) Other Services-**(a) Ceylon Broadcasting Corporation-**

The operations of the Corporation in 1969/70 and 1970/71 (October - September) along with comparable data pertaining to the former Department of Broadcasting are shown in Table II (C) 15 below.

The value of assets of the Corporation was estimated to be Rs 26.1 million in September 1971 representing an increase of approximately Rs 4.3 million over the previous year. The revenue and expenditure according to estimates for 1970/71 declined marginally over the previous year. The profit is estimated to have reached Rs 640,000 as against Rs 597,000 in the previous year. The number employed in the Corporation has also increased from 1,308 in 1969/70 to 1,528 in 1970/71.

TABLE II (C) 15**Ceylon Broadcasting Corporation^(a)**

Items	1966/67	1967/68	1968/69	1969/70	1970/71*
1. Value of Assets (Rs. '000) (cumulative)	6,000	9,300	21,537	21,881	26,082
2. Revenue (Rs. '000)	7,266†	8,876†	10,077	12,411	11,609
Licence Fees	4,200†	4,258†	4,458	5,073	5,842
Commercial Services Sale of Time	2,527†	3,782†	4,778	5,834	4,391
Other	539†	836†	841	1,504	1,376
3. Expenditure (Rs. '000)	5,850†	8,292†	9,662	11,814	10,969
National Services	n. a.	n. a.	4,920	6,201	n. a.
Commercial Services	n. a.	n. a.	4,742	5,613	n. a.
4. Profit (+) or Loss (-) (Rs. '000)(b)	+1,416†	+ 584†	+415	+597	+640
5. Employment (Nos.)	798	839	1,050	1,308	1,528

Source: Ceylon Broadcasting Corporation.

(a) For financial years October to September.

(b) Before Taxation.

* Estimates.

† Revised figures based on Auditor General's Report 1969/70.

(b) National Lotteries Board-

Capital investment in this Board has increased by Rs 0.7 million in 1970/71. The number of lotteries held has increased from 64 in 1969/70 to 69 in 1970/71. Sales revenue and expenditure however showed a decrease. Meanwhile, income from the sale of articles offered as prizes was Rs 0.709 million as against Rs 0.008 million in the previous year. The Board had a surplus of Rs 1.4 million in 1970 and its contribution to the Consolidated fund decreased from Rs 13.5 million in 1969/70 to Rs 11.6 in 1970/71.

Certain basic data relating to the National Lotteries Board are given in Table II (C) 16 below.

TABLE II (C) 16.
National Lotteries Board^(a)

Items	1966/67	1967/68	1968/69	1969/70	1970/71
1. Capital Invested (Rs. '000)(b) ..	176	602.	751	760	1469
2. Number of Lotteries held ..	52	54	56	64	69
3. Income (Rs. '000) ..	29,940	37,961*	37,297	33,680	30,542
(a) Sale of Tickets ..	28,909	37,960	36,089	33,672	28,129
(b) Other ..	1,031	1	1,208	8	709
					1,704(e)
4. Expenditure (Rs. '000) ..	16,424	22,060	36,015	20,424	16,858
(a) Value of Prizes ..	11,564	15,184	21,679	13,562	11,252
(b) Other ..	4,860	6,876	14,336	6,862	
5. Surplus (+) or Deficit (-) (Rs. '000) (c) ..	+13,516	+16,599	+ 1,182	n. a.	+ 1,358
6. Amount Contributed to the consolidated Fund (Rs. 000) ..	12,142	15,609	14,479	13,509	11,567
7. Employment(d) (nos) ..	66	140	93	115	133

Source: National Lotteries Board.

(a) Figures are for accounting years October to September.

(b) Cumulative as at end of accounting year.

(c) Before Taxation.

(d) As at end of accounting year.

(e) Forfeited prizes kept back for new building.

* Revised figures based on Auditor General's Report 1969/70.

TABLE II (C) 17
Other Services of Public Sector¹

Institution	Capital Invested (Rs. '000)					Value of Fixed Assets (Rs. '000)					Employment (Nos.)				
	1967	1968	1969	1970	1971*	1967	1968	1969	1970	1970	1967	1968	1969	1970	1971*
1. Tea Propaganda Board (Jan.-Dec.)	5,797	5,797	5,797	11,964	n. a.	n. a.	n. a.	n. a.	13,236	n. a.	n. a.	n. a.	n. a.	64	63
2. Coconut Fibre Board (Oct.-Sep.)	—	1,238	1,314	1,402	1,349	—	24	127	1,268	1,277	—	4	11	17	25
3. Industrial Development Board (April-March)	—	1,125	4,625	22,833**	n. a.	n. a.	n. a.	n. a.	9,126**	n. a.	56	171	281	374**	n. a.
4. Ceylon Bureau of Standards (Oct.-Sep.)	542	545	559	573	593	769	752	1,010	1,032	1,546	19	27	33	52	93

	Income (Rs. '000)					Expenditure (Rs. '000)					Surplus (+) or Deficit (-) (Rs. '000)				
	1967	1968	1969	1970	1971*	1967	1968	1969	1970	1971*	1967	1968	1969	1970	1971*
1. Tea Propaganda Board	17,888†	18,472†	22,720	23,300	23,280	16,258†	19,042†	22,985	22,294	22,546	+1,629†	- 569†	- 295	+1,006	+734
2. Coconut Fibre Board	—	93	181	140	211	—	16	95	193	203	—	+ 77	+ 88	- 53	+ 8
3. Industrial Development Board	4	49	—	738**	n. a.	188	1,082	1,958	24,27**	n. a.	- 999†	-1,711†	-1,908	-1,689**	n. a.
4. Ceylon Bureau of Standards	—	—	—	—	—	191	243†	425†	607	1,044	—	—	—	—	—

Source: Data furnished by the respective Institutions.

1. Figures are for the accounting years of the institutions as indicated.

* Figures for 1971 are provisional.

** Actual for nine months (April - December).

† Revised figures based on Auditor General's Report.

TABLE II (C) 18

River Valleys Development Board (a)

Item	1966/67	1967/68	1968/69	1969/70	1970/71
1. Capital Invested (b) (Rs. Mn.) ..	791	n. a.	n. a.	924	979
(a) Gal Oya Scheme ..	701	n. a.	n. a.	670	680
(b) Uda Walawe Scheme ..	90	n. a.	n. a.	254	299
2. Cultivations					
(a) Gal Oya - Acreage of Paddy ..	91,088	96,453	95,901	98,333	—(c)
- Acreage of other Subsidiary food crops (d) ..	1,549	1,695	2,319	2,311	—(c)
(b) Uda Walawe - Acreage of paddy ..	—	3,081	5,511	7,618	8,548
- Acreage of other subsidiary food crops (d) ..	—	3,914	1,573	1,575	1,037
- Acreage of cotton ..	—	—	—	15	15
3. Youth Settlement (Nos.)					
(a) Gal Oya ..	138	138	138	138	—(c)
(b) Uda Walawe ..	267	239	239	239	239
4. Profit (+) or Loss (-) (Rs. '000)					
Gal Oya ..	- 9,184	- 8,285	- 8,710	- 152	- 154
Uda Walawe ..	+ 1,598	- 4,160†	- 6,394	- 20	- 30
Of the entire Board ..	- 7,586	- 20,216†	- 16,104	- 172	- 184
5. Employment (Nos.)					
Gal Oya ..	7,827	4,285	4,785	6,958	3,123
Uda Walawe ..	6,326	5,031	6,034	10,335	11,273
Head Office ..	536	6,570	6,263	664	418

Source: River Valleys Development Board.

(a) Figures are for financial years October to September.

(b) Cumulative as at end of accounting year.

(c) Handed over to Govt. Agent.

(d) Subsidiary food crops include, chillies, onions, yams, grams and vegetables.