

(C) PUBLIC ENTERPRISES

The 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.

In view of the delays in finalising accounts for 1972 in most public corporations, provisional data have been used in the Tables. Consequently, the usefulness of statements on the overall performance of the corporation sector is limited.

The total number of corporations as at end of 1972 was 74, of which 61 were established in this year.

Total investment in public enterprises rose by 33 per cent to reach Rs. 4,591² million in 1972³, as against Rs. 3,461 million in the accounting year 1970/71. Table II (C) I shows the distribution of investment between broad categories of activities in the public sector in 1972. Nearly 42 per cent of the total capital investment was made by industrial enterprises. Increase in investment was highest in industrial sector in absolute terms.

Capital per employee in all corporations increased from 27,101 in 1970/71 to 29,990 in 1972. Capital per employee in 1972 in industrial corporations was Rs. 36,510 while in the services sector it was Rs. 21,050. Employment in all corporations increased from 154,908 in 1970/71 to 177,258⁴ in 1972.

Table II (C) 1
Total Capital Investment of Public Corporations *
1969/70 - 1972

		Rupees Million		
Sector		1969/70	1970/71	1972
State Industrial Sector†	..	1,320.0	1,405.3	1,885.4
Trading Corporations	..	465.3	437.9	731.0
Services	..	1,188.0	1,451.3	1,796.3
Financial Institutions	..	145.6	166.3	178.2
Total	..	3,118.9	3,460.8	4,590.9

* Research Institutes, Development Corporations, Banks, Lending Institutions and Investment in Public Companies are excluded. Investment data are in respect of 35 Corporations in 1969/70 and 1970/71 and 40 Corporations in 1972. Total investment is defined as Capital + Reserves + Long-term liabilities — Accumulated losses. The data are subject to audit.

† Includes the State Plantations Corporation.

1. Ceylon Fishery Harbour Corporation, Sri Lanka State Trading (Consolidated Exports) Corporation, Sri Lanka Tobacco Industries Corporation, State Film Corporation, State Tea Corporation of Sri Lanka and Agrarian Research and Training Institute.
2. Investment data relating to the National Textiles Corporation are not available in respect of 1972 and hence 1970/71 data have been used.
3. All corporations adopted the calendar year as the financial year from the beginning of 1972 under Section 23 of the Finance Act, No. 38 of 1971.
4. Employment data are in respect of 61 enterprises in 1972.

In 1972, thirty-four corporations including banks and other financial institutions of the public sector have shown profits.¹ Of these, twenty corporations made larger profits than in the previous year; eight have made less profits, while one made a profit as against a loss in the previous year. Eleven enterprises have incurred losses in 1972. Of these, three have incurred bigger losses than in the previous year. Three have reduced losses and two have incurred losses as against a profit in the previous year. In 1972, contributions to the Consolidated Fund by profit making enterprises for 12 months period amounted to Rs. 69.717 million as against an anticipated contribution of Rs. 107.17 million for the 15 month period ended 1972.

2. INDUSTRIAL CORPORATIONS

The number of industrial corporations (including Fisheries) was 25 in 1972, but one of them (State Fertilizer Manufacturing Corporation) had not commenced production. The total capital investment in industrial corporations was Rs. 1,885 million which represented a 34 per cent increase over the accounting year 1970/71. However, capital employed in actual production was Rs. 953.1 million or 51 per cent of the invested capital.

Value of output (at current prices)² of industrial corporations increased from Rs. 578.4 million in 1971³ to Rs. 871.1 million in 1972 or by 50 per cent.

There was a concentration of output in the capital intensive industries. Three Corporations—Petroleum, Cement and Steel—had 50 per cent of the capital employed and they accounted for 49 per cent of the total output.

Table II (C) 2 gives a summary of the performance for the year 1972.

Several industrial enterprises recorded an increase in production in 1972. Increases in production were recorded in the case of Oils and Fats, Flour, Petroleum and Salt. The production of salt increased on account of favourable weather conditions and increased capacity. A fall in production was recorded in the case of Tyre and Cement.

Flour Milling, Ceramics and Mineral Sands Corporations worked above 80 per cent of capacity while Leather Products and Steel Corporations worked below 50 per cent of capacity. Market limitations of some of the corporations such as Steel and Tyre resulted in the absorption of only a small proportion of installed capacity by the domestic consumers. Thus in the case of certain products utilization of capacity was low due to deliberate curtailment of production in view of the limited demand. Apart from this, absenteeism, lack of continuity in the supply of certain raw materials and breakdown of machinery are some of the important reasons for the low degree of capacity utilization.

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1. Profit and loss figures for 1972 are not available in respect of 12 corporations.
 2. No attempt is made here to convert these data into constant prices because of the non-availability of a suitable deflator.
 3. It was possible to obtain comparative data on output, employment and foreign exchange earnings from the corporations themselves for 1971 and 1972 on a calendar year basis.

TABLE II (C) 2

State Industrial Corporations Summary of Performance in 1972

Name of Corporation	Total Capital Investment (Rs. '000)	Capital Utilized in Production (Rs. '000)	Value of Production (Rs. '000)	Profit or loss (Rs '000)	Employment (Nos.)	Exports (Rs. '000)	Rate of Return on Capital (%)		Value of output per employee (Rs. '000)	Export as % of value of production	Contributions to Consolidated Fund (Rs. '000)
							Invested	Employed			
1. National Milk Board	73,037	29,702†	127,001	n. a.	2,161	—	—	—	58	—	—
2. Ceylon Oils & Fats Corporation	34,451	19,697	n. a.	+ 1,200	938	4,514	3.5	6.1	—	—	—
3. Sri Lanka Sugar Corporation	146,565	91,211†	14,218	n. a.	n. a.	—	—	—	n. a.	—	1,000
4. State Flour Milling Corporation	69,250	26,521	56,330	- 2,224*	550	5,645	—	—	102	10.02	1,800
5. Sri Lanka Tobacco Industries Corporation	n. a.	n. a.	n. a.	n. a.	n. a.	—	—	—	n. a.	n. a.	—
6. National Salt Corporation	31,985	23,573	7,031	+ 1,565	2,201	—	4.9	6.6	3	—	400
7. National Textile Corporation	302,000†	41,100	87,512	+14,186*	6,040	—	4.7	34.5	14	—	2,000
8. Ceylon Leather Products Corporation	19,325	12,277	9,939	+ 272	899	502	1.4	2.2	11	5.05	—
9. Ceylon Plywood Corporation	124,583	10,800	17,978	+ 1,560*	2,439	—	1.2	14.4	7	—	240
10. State Timber Corporation	20,570	11,568†	22,666	- 3,463*	2,360	—	—	—	9	—	—
11. Eastern Paper Mills Corporation	154,407	29,000	33,913	+ 6,000	2,220	—	3.9	20.7	15	—	—
12. State Printing Corporation	n. a.	n. a.	n. a.	n. a.	n. a.	—	—	—	—	—	1,000
13. Paranthan Chemicals Corporation	15,198	11,802	5,172	+ 335	350	—	2.2	2.8	14	—	200
14. Ceylon Tyre Corporation	100,275	67,479	38,493	+ 9,344	1,893	—	9.3	13.8	20	—	4,000
15. Ceylon Petroleum Corporation	—	181,600	252,499	+37,200*	625	69,372	—	20.5	403	27.44	10,000
16. Ceylon Ayurvedic Drugs Corporation	3,379	1,368	3,283	+ 351*	329	—	10.4	25.6	9	—	48
17. Ceylon Ceramics Corporation	45,474	19,982	12,932	+ 5,500	1,256	502	12.1	27.5	10	3.88	1,800
18. Ceylon Cement Corporation	346,200	178,034	84,484	+20,506	2,628	7	5.9	11.6	32	—	12,000
19. National Small Industries Corporation	25,200	19,458	11,240	- 1,196	1,950	—	—	—	5	—	—
20. Ceylon Mineral Sands Corporation	32,180	19,825	3,645	+ 2,488	515	7,286	7.7	12.5	7	199.89	630
21. State Graphite Corporation	n. a.	n. a.	n. a.	n. a.	1,609	9,753	—	—	—	n. a.	—
22. Ceylon Steel Corporation	147,206	118,000	67,519	+ 7,142	1,172	—	4.8	6.1	57	—	679
23. Ceylon State Hardware Corporation	45,371	40,725	9,645	- 4,500	1,221	14	—	—	7	0.14	—
24. Ceylon Fisheries Corporation	96,745	n. a.	5,627	- 8,000	2,297	714	—	—	2	12.68	—
Total	1,833,401	953,722	871,127	+88,366	35,653	98,309	4.8	9.3	24	11.28	35,797

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

† End of Accounting Year 1970/71.

† Capital Invested.

* Estimated

The value of sales of manufacturing corporations increased from Rs. 1,043 million in 1971 to Rs. 1,282 million in 1972 representing an increase of 23 per cent. This excludes the value of sales arising from purely trading activities. The increase in turnover of the corporations was in part due to price revisions that were made in the course of 1972. Increases in the value of sales were recorded in the case of Petroleum, Textiles and Milk Board while the sales value of Leather Products and Fisheries declined.

During the year under review, industrial corporations made a profit (before tax) of Rs. 88.3 million. Apart from the major activity of manufacturing, some of the public sector manufacturing enterprises were also engaged in trade. They were: Eastern Paper Mills Corporation, Ceylon Steel Corporation, Paranthan Chemicals Corporation, Ceylon Plywoods Corporation and the Oils and Fats Corporation. Data pertaining to the trading activities of these institutions are shown in Table II (C) 4.

Industrial Corporations have contributed Rs. 35.8 million to the Consolidated Fund in 1972.

The total foreign exchange earnings of industrial corporations resulting from export activities have recorded an increase from Rs. 95.3 million in 1971 to Rs. 98.3 million in 1972. Of this, the Petroleum Corporation accounted for Rs. 69.3 million. The Oils and Fats Corporation recorded an increase in its export earnings from Rs. 2.7 million in 1971 to Rs. 4.5 million in 1972. The Ceylon Leather Products Corporation recommenced its export business with the sale of leather and hide abroad.

The average rate of return before tax, on capital employed in production was 9.2 per cent in 1972 while the return on investment was 4.8 per cent. The highest return on capital employed was shown by the Textiles Corporation which recorded 34.5 per cent while the Leather and Paranthan Chemicals Corporations recorded a return of less than 3 per cent.

The industrial corporations provided 6,616 additional jobs in 1972 to bring the numbers employed to 35,981 persons. The total wage bill increased from Rs. 102 million in 1971 to Rs. 139 million in 1972.

Annual Capacity, Output and Sales

Corporation ¹	Units of output	1970/71		
		Capacity	Production	Sales
1. National Milk Board				
Processed Milk ..	Th. pints.	42,340	32,054	32,687
Condensed Milk ..	Th. cans	25,000	14,615	14,916
Powdered Milk ..	Th. 1 lb. tins	12,000	11,920	11,280
2. Ceylon Oils & Fats				
Coconut oil ..	Tons	1,750	1,178	344
Provender ..	"	37,400	48,839	44,111
Fatty Acids ..	"	3,600	1,057	1,094
Glycerine ..	"	360	126	149
Other oils ..	"	n. a.	327	117
3. Sri Lanka Sugar				
Kantalai Unit				
Sugar ..	Metric tons	21,000	8,000	8,000
Spirits ..	Th. proof glns.	600	800	750
Gal Oya Unit				
Sugar ..	Metric tons.	19,200	5,400	5,400
Spirits ..	Th. proof glns.	750	800	700
4. State Flour Milling				
Flour ..	Tons	50,400	48,028	47,388
Other Products ² ..	"	19,600	18,290	15,615
5. National Salt Corporation				
Salterns ..	Tons	70,000	53,043	60,352
Private Salterns ..	"	21,100	10,311	24,144
6. Marketing Department Fruit Cannery				
Jams ..	Th. lbs.	n. a.	1,864	1,962
Juices ..	Th. lbs.	n. a.	537	553
Creams ..	Th. lbs.	n. a.	50	109
Other Products ³ ..	Th. lbs.	n. a.	588	533
7. Government Distillery				
Ordinary Arrack ..	Proof gallons	620,000	170,940	168,339
Double Distilled ..	Proof gallons	20,000	700	700
8. National Textile				
Yarn ..	Th. lbs.	20,600	2,513	1,339
Textile ..	Th. yds.	27,100	5,780	6,447
Finishing ..	Th. yds.	75,000	3,906	3,874
Import of Yarns ..	Th. lbs.	—	—	—
9. Ceylon Leather Products				
Shoes ..	Th. pairs	350	241	257
Chrome Leather ..	Th. sq. ft.	1,250	1,109	179
Bark & Other Leather ..	Th. lbs.	420	243	57
Miscellaneous Goods ..	Th. nos.	n. a.	n. a.	n. a.
10. Ceylon Plywoods				
Gintota Factory ..	Th. sq. ft. 3 ply	30,000	24,298	—
	Plywood of which			
	Tea chests Th.	1,450	1,043	1,066
Kosgama Factory ..	Th. sq. ft. ply	—	—	—
	Plywood	—	—	—
	Th. sq. ft. of $\frac{3}{4}$ "	—	—	—
	Chip boards	—	—	—
11. State Timber				
Sawn Timber ..	Th. Cu. ft.	n. a.	678	678
Plywood ..	"	n. a.	480	480
12. Eastern Paper Mills				
Manufacturing-Paper ..	Tons	9,000	9,463	9,278
Trading-Paper Imports ..	"	—	3,044	6,978

1971			1972			1973 (Budgeted)		
Capacity	Production	Sales	Capacity	Production	Sales	Capacity	Production	Sales
38,325 25,000 12,000	34,549 15,054 13,151	34,038 16,141 13,672	n. a. n. a. 24,000	35,605 n. a. 17,887	35,444 n. a. 16,394	n. a. n. a. 24,000	n. a. n. a. 13,880	n. a. n. a. 13,880
4,000 60,000 3,300 400 n. a.	480 52,607 1,964 248 n. a.	918 40,327 979 202 n. a.	4,000 72,000 3,300 400 n. a.	1,113 66,800 1,868 244 n. a.	815 66,554 1,482 231 n. a.	5,000 90,000 3,600 400 n. a.	4,950 90,000 3,518 398 n. a.	4,950 90,000 3,518 398 n. a.
n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.
56,022 21,879	60,290 21,803	61,222 20,573	64,714 22,551	70,538 24,448	71,366 24,763	71,264 23,754	71,264 23,754	72,298 24,253
70,000 21,100	66,979 17,804	n. a. n. a.	70,000 21,100	139,750 16,500	n. a. n. a.	n. a. n. a.	n. a. n. a.	n. a. n. a.
n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	2,151 633 102 412	1,598 528 22 339	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.	n. a. n. a. n. a. n. a.
620,000 } 20,000 }	173,229	188,120	620,000 } 20,000 }	98,182	100,779	620,000 } 20,000 }	152,000	152,000
4,909 12,975 8,436 —	4,170 8,343 7,595 —	1,754 7,850 7,595 —	9,789 17,397 17,198 —	8,974 12,122 9,554 —	5,280 8,886 9,554 —	n. a. n. a. n. a. —	n. a. n. a. n. a. —	n. a. n. a. n. a. —
345 1,250 400 —	281 147 329 —	286 486 94 —	345 1,250 400 —	232 1,208 320 —	209 867 165 —	345 1,250 400 —	293 254 233 —	278 843 12 —
30,000 1,098 — — n. a. n. a.	17,073 883 — — 636 —	— 883 — — 607 —	30,000 n. a. 1,102 318 n. a. —	n. a. 1,459 2 85 731 —	n. a. 1,509 n. a. n. a. 949 —	30,000 — n. a. n. a. n. a. —	n. a. 3,166 n. a. n. a. n. a. —	n. a. 3,166 n. a. n. a. n. a. —
10,500 —	9,177 —	9,735 —	22,500 —	14,014 —	12,487 —	22,500 —	22,500 —	22,205 —

Annual Capacity, Output and Sales

Corporation ¹	Units of output	1970/71		
		Capacity	Production	Sales
13. Paranthan Chemicals				
Caustic Soda ..	Tons	1,500	1,375	1,344
Chlorine ..	"	1,300	576	524
Table Salt ..	"	400	276	294
Hydrochloric Acid ..	"	1,500	192	145
Imports of Caustic Soda ..	"	n. a.	2,766	2,616
14. Ceylon Tyre				
Tyres ..	Nos.	250,000	84,342	83,147
Tubes ..	Nos.	152,000	99,325	84,232
Flaps ..	Nos.	88,000	32,529	29,882
15. Ceylon Petroleum Refinery				
Gasoline ..	Mt. Tons	n. a.	143,441	n. a.
Kerosene ..	"	n. a.	266,990	n. a.
Chemical Naphtha ..	"	n. a.	113,263	n. a.
Diesel ..	"	n. a.	424,997	n. a.
Asphalt ..	"	n. a.	30,467	n. a.
Fuel Oil ..	"	n. a.	698,469	n. a.
Blending Plant Lubricating Oil ..	Th. gallons	n. a.	n. a.	n. a.
16. Ceylon Ceramics				
Crockery ..	Tons	2,700	1,889	2,144
Sanitary-ware ..	"	500	543	594
Wall Tiles ..	"	300	179	185
Kaolin ..	"	5,000	3,613	3,055
Electrical Equipment ..	"	—	—	—
17. Ceylon Cement				
Kankesanthurai ..	Tons	250,000	188,972	184,482
Galle ..	"	100,000	65,572	63,604
Puttalam ..	"	220,000	96,272	91,928
18. National Small Industries				
Bricks & Tiles ..	Th. Nos.	14,736	11,272	10,930
19. Ceylon Mineral Sands				
Ilmenite ..	Tons	93,212	92,412	81,840
Rutile ..	"	2,071	2,146	1,110
Zircon ..	"	8,737	121	—
20. State Graphite				
Plumbago ..	Tons	—	—	—
21. Ceylon Steel				
Rolled Products ..	Metric Tons	81,000	23,714	25,995
Wire Products ..	Metric Tons	12,000	5,654	6,183
22. State Hardware				
Hardware Factory				
Hardware items ..	Th. units	3,400	922	1,001
Cast Iron Foundry - Castings ..	Casting Tons	6,000	15	—
23. Ceylon Fisheries				
Wet & Frozen Fish ..	Th. lbs.	n. a.	5,680	5,755
Canned Fish ..	Th. Cans	n. a.	851	n. a.
Cured Fish ..	Th. lbs.	n. a.	739	739
Fish meal ..	Th. lbs.	n. a.	241	283
Shark Liver oil ..	Th. gallons	n. a.	5	4
Shark Fins ..	Th. lbs.	n. a.	9	n. a.
Ice ..	Th. lbs.	n. a.	17,670	17,670

1. All figures are for calendar years. 1970/71 figures are for accounting year i. e. Industrial Corporations April - March, Fruit Canning Factory & Government Distillery, October-September.
2. Includes Bran, Pollard, Rulan, Atta.
3. Includes fruit slices, jellies, sauces, chillie powder & treacle.

(quantity) of State Industries

TABLE II (C) 3 (Contd.)

1971			1972			1973 (Budgeted)		
Capacity	Production	Sales	Capacity	Production	Sales	Capacity	Production	Sales
1,650	1,408	1,382	1,650	1,420	1,390	1,650	1,550	1,500
1,435	542	513	1,435	638	639	1,435	720	650
—	349	346	—	408	394	—	420	400
1,980	481	330	1,980	641	416	1,980	900	600
—	—	—	—	—	—	—	—	—
250,000	158,400	137,539	250,000	149,293	154,910	250,000	215,850	204,500
250,000	108,399	97,240	250,000	94,401	92,006	250,000	173,250	152,600
—	33,726	25,707	—	19,900	22,189	—	62,000	60,000
n. a.	113,698	137,533	n. a.	139,313	131,762	n. a.	n. a.	n. a.
n. a.	199,416	591,201	n. a.	246,653	278,663	n. a.	n. a.	n. a.
n. a.	90,866	—	n. a.	107,525	—	n. a.	n. a.	n. a.
n. a.	331,594	404,232	n. a.	111,801	407,301	n. a.	n. a.	n. a.
n. a.	n. a.	n. a.	n. a.	32,212	6,022,874	n. a.	n. a.	n. a.
n. a.	671,446	591,863	n. a.	687,673	593,217	n. a.	n. a.	n. a.
n. a.	3,716	3,819	n. a.	3,498	3,709	n. a.	n. a.	n. a.
2,700	2,145	2,272	2,700	2,965	n. a.	2,700	2,880	n. a.
500	593	229	500	622	n. a.	500	588	n. a.
300	308	320	360	331	n. a.	360	336	n. a.
5,000	3,113	3,137	4,550	3,884	n. a.	4,550	5,400	n. a.
—	—	—	—	—	—	—	225	n. a.
250,000	194,205	196,578	250,000	177,083	176,066	250,000	222,000	222,000
100,000	57,055	60,953	100,000	62,779	66,683	100,000	85,000	85,000
220,000	127,759	129,290	220,000	137,496	138,802	300,000	290,000	290,000
23,284	10,871	6,706	13,886	8,402	8,878	—	—	—
91,000	95,335	85,300	93,000	81,200	84,150	88,000	88,000	90,000
2,550	2,545	1,010	3,350	2,117	3,338	2,800	2,800	3,000
200	138	—	200	—	15	200	200	200
—	—	—	—	7,028	6,297	—	6,700	5,810
80,000	26,416	29,026	80,000	32,541	30,989	80,000	40,500	40,500
12,000	7,184	6,309	12,000	7,757	6,011	12,000	10,903	10,278
64,000	832	921	64,000	1,002	1,284	64,000	1,712	1,971
6,000	13	16	6,000	21	33	6,000	26	35
—	10,206	5,934	—	10,070	5,711	—	25,188	15,547
—	847	n. a.	—	412	n. a.	—	1,250	1,237
—	715	580	—	514	474	—	679	702
—	240	283	—	148	153	—	144	144
—	5	4	—	4	4	—	13	13
—	44	44	—	41	41	—	41	41
—	17,682	17,682	—	18,862	18,862	—	43,214	8,217

Source: Data furnished by respective Corporations.

Value of Production, Sales, Profitability and

Corporation ¹	Value of Production ²				Value of	
	1970/71	1971	1972	1973**	1970/71	1971
1. National Milk Board	54,720	61,416	99,271	n. a.	66,653	79,129
(a) Processing and other	15,505	16,300	22,836	n. a.	20,370	20,500
(b) Condensed Milk Factory	12,217	12,649	23,373	n. a.	15,936	17,354
(c) Powdered Milk Factory	26,998	32,467	53,062	81,669	30,347	41,275
2. Ceylon Oils and Fats	31,574	n. a.	n. a.	n. a.	22,654	22,867
3. Sri Lanka Sugar	27,623	n. a.	n. a.	n. a.	34,650	n. a.
(a) Kantalai Factory	11,817	n. a.	n. a.	n. a.	18,235	n. a.
(b) Gal Oya Factory	15,806	n. a.	n. a.	n. a.	16,415	n. a.
4. State Flour Milling	36,123	46,737	56,329	57,826	35,236	47,025
(a) Flour	29,723	39,288	45,120	47,080	29,208	39,104
(b) By products	6,400	7,449	11,209	10,746	6,028	18,921
5. National Salt	6,335	3,815	7,031	n. a.	8,449	8,478
6. National Textiles						
(a) Manufacturing	24,015	46,778	87,512	n. a.	25,489	32,652
(b) Trading ⁵	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
7. Ceylon Leather Products	6,952	9,219	9,938	12,246	6,833	9,089
(a) Shoe Factory	3,778	n. a.	n. a.	n. a.	5,771	—
(b) Tannery	3,174	n. a.	n. a.	n. a.	1,062	—
8. Ceylon Plywoods	11,369	n. a.	17,978	n. a.	11,503	9,626†
(a) Gintota Factory	11,369	n. a.	17,978	n. a.	11,503	9,626
(b) Avissawella Factory	—	—	—	—	—	—
9. State Timber	23,914	18,366	22,665	n. a.	36,821	23,488
10. Eastern Paper Mills	23,360	25,241	33,913	50,345	52,977	28,100
(a) Manufacturing	23,360	25,241	33,913	50,345	34,375	28,100
Paper Factory	—	—	—	—	—	—
Paper Board Mill Project	—	—	—	—	—	—
(b) Trading ⁵	2,941	n. a.	n. a.	n. a.	18,602	n. a.
11. State Printing	—	n. a.	n. a.	n. a.	—	n. a.
12. Paranthan Chemicals						
(a) Manufacturing	3,144	3,857	5,172	4,786	3,329	4,067
(b) Trading ⁶	2,038	n. a.	n. a.	n. a.	3,484	n. a.
13. Ceylon Tyre	43,500	34,353	38,493	59,392	32,800	43,628
14. Ceylon Petroleum						
(a) Refinery	133,800	134,237	235,709	n. a.	n. a.	—
(b) Blending Plant	16,428	19,143	16,790	n. a.	19,594	—
15. Ayurvedic Drugs	1,174	1,589	3,282	n. a.	1,591	2,567
16. State Fertilizer Manufacturing	—	—	—	—	—	—
17. Ceylon Ceramics	8,485	10,959	12,932	12,316	16,119	21,568
18. Ceylon Cement	77,082	84,694	84,481	150,272	74,690	86,430
(a) Kankasanturai Factory	39,684	41,397	37,822	54,160	38,741	41,900
(b) Galle Factory	15,737	14,552	15,723	23,612	15,265	15,440
(c) Puttalam Factory	21,661	28,745	30,936	72,500	20,684	29,090
19. National Small Industries	9,679	10,154	11,240	7,802	8,972	9,719
(a) Carpentry Section	5,547	5,873	7,850	7,802	4,962	5,659
(b) Brick & Tile Factories	4,132	4,281	3,390	—	4,010	4,060
20. Ceylon Mineral Sands	4,564	4,690	3,646	5,202	5,887	4,553
(a) Ilmenite Factory	2,627	2,852	2,234	3,027	4,470	3,751
(b) By products Factory	1,937	1,838	1,412	2,175	1,417	802
21. Ceylon Steel						
(a) Manufacturing	49,622	51,839	67,519	106,855	47,161	63,258
(b) Trading ⁵	—	—	—	—	—	—
22. Ceylon State Hardware	5,240	5,581	9,645	16,426	4,698	6,987†
(a) Hardware Factory	3,761	4,516	6,262	11,574	4,196	5,655
(b) Cast Iron Foundry	1,479	1,065	3,383	4,852	502	1,332
23. Ceylon Fisheries	n. a.	5,589	5,627	n. a.	n. a.	10,954
24. Marketing Department Fruit Canning Factory	4,070	3,539	n. a.	n. a.	4,516	n. a.
25. State Distillery	2,875	2,737	1,599	3,040	2,753	2,972

Source: Corporation Division of the Treasury and respective Corporations.

1. Figures are for calendar years. 1970/71 figures are for accounting years. i.e. Industrial Corporations April-March. National Milk Board January-December, Fruit Canning Factory and Government Distillery October-September.

2. Value of production ex-factory, except for Plywoods & Oils and Fats whose value of production is given at sale price. Value of imports c.i.f.

Investment of State Industries 1970-71 to 1972-73

TABLE II(C) 4

Rupees Thousand

Sales		Profit (+) or Loss (-) ³				Capital Invested ⁴			
1972	1973**	1970/71	1971	1972	1973**	1970/71	1971	1972	1973**
93,314	n. a.	+ 1,368	+ 5,812	- 15,169	n. a.	71,438	72,300	73,037	79,600
19,355	n. a.	- 3,879	- 156	- 15,169**	n. a.	—	—	—	—
19,862	n. a.	+ 900	n. a.	n. a.	n. a.	—	—	—	—
54,097	n. a.	+ 4,347	+ 5,656	n. a.	n. a.	—	—	—	—
38,389	61,530	+ 120	+ 2,823	+ 1,200	+ 2,428	26,372	31,300	34,451	37,000
n. a.	n. a.	+ 7,921	n. a.	n. a.	n. a.	164,385	145,500	146,565	171,000
n. a.	n. a.	+ 5,682	n. a.	n. a.	n. a.	—	—	—	—
n. a.	n. a.	+ 2,239	n. a.	n. a.	n. a.	—	—	—	—
55,061	52,946	+ 162	+ 1,842	- 2,224	+ 3,022	37,022	58,500	69,250	79,900
45,272	47,771	+ 162	+ 1,842	- 2,224	+ 3,022	—	—	—	—
9,789	5,175	—	n. a.	n. a.	n. a.	—	—	—	—
15,625	n. a.	+ 2,271	n. a.	+ 1,565	+ 2,154	23,119	28,700	31,985	33,900
—	—	+ 2,123	+ 6,638	+ 17,936**	n. a.	302,821	63,500†	73,499†	80,100†
62,451	n. a.	+ 76	+ 3,217	+ 14,186	n. a.	—	—	—	—
n. a.	n. a.	+ 2,199	+ 3,421	+ 3,750	n. a.	—	—	—	—
10,210	12,681	- 1,064	- 145*	+ 272**	n. a.	14,429	17,432	19,325	n. a.
—	—	n. a.	n. a.	n. a.	n. a.	—	—	—	—
—	—	n. a.	n. a.	n. a.	n. a.	—	—	—	—
17,066	n. a.	+ 111	+ 1,179	+ 1,560**	n. a.	8,496	103,800	124,583	165,700
17,066	n. a.	+ 111	+ 1,179	—	n. a.	—	—	—	—
—	n. a.	—	—	—	n. a.	—	—	—	—
30,417	n. a.	+ 155	+ 1,177	- 3,463	n. a.	330	16,600	n. a.	11,300
48,442	77,864	+ 4,079	+ 893	+ 10,000**	n. a.	113,831	121,300	154,407	208,300
48,442	77,864	+ 2,708	- 575	+ 6,000	n. a.	—	—	—	—
—	—	—	—	—	n. a.	—	—	—	—
—	—	—	—	—	n. a.	—	—	—	—
n. a.	n. a.	+ 1,371	+ 1,468	+ 4,000	n. a.	—	—	—	—
n. a.	n. a.	- 693	n. a.	n. a.	n. a.	n. a.	14,100	n. a.	17,300
—	—	+ 648	+ 622†	+ 433	n. a.	11,802	14,700	15,198	15,600
5,177	5,734	n. a.	+ 87	+ 335	n. a.	—	—	—	—
n. a.	n. a.	n. a.	+ 535	+ 98	n. a.	—	—	—	—
51,968	74,733	+ 6,200	+ 8,500	+ 9,344	18,597	91,915	110,300	100,275	94,000
—	—	+ 11,430	+ 17,370	+ 33,100**	n. a.	239,400	n. a.	n. a.	n. a.
—	—	+ 3,186	+ 3,330	+ 4,100**	n. a.	—	—	—	—
3,374	8,100	+ 133	+ 372**	+ 869**	n. a.	2,172	2,800	3,379	n. a.
—	—	—	—	—	—	—	8,400	9,400	9,700
26,021	29,405	+ 3,250	+ 3,165†	+ 5,500	n. a.	28,224	35,400	45,474	83,000
85,578	150,272	+ 22,952	+ 14,482	+ 20,606	n. a.	187,360	324,900	346,200	355,100
37,692	54,160	+ 16,052	n. a.	n. a.	n. a.	—	—	—	—
16,656	23,612	+ 2,850	n. a.	n. a.	n. a.	—	—	—	—
31,230	72,500	+ 4,050	n. a.	n. a.	n. a.	—	—	—	—
11,279	7,802	- 970	- 1,577	- 1,196	n. a.	28,060	26,000	25,200	24,700
7,864	7,802	- 610	n. a.	- 1,024	n. a.	—	—	—	—
3,415	n. a.	- 360	n. a.	172	n. a.	—	—	—	—
7,417	7,054	+ 1,622	+ 2,432	+ 2,487	+ 2,377	18,960	n. a.	32,180	n. a.
4,710	4,710	n. a.	n. a.	n. a.	n. a.	—	—	—	—
2,707	2,344	n. a.	n. a.	n. a.	n. a.	—	—	—	—
72,410	124,080	+ 1,435	+ 1,914†	+ 7,141	n. a.	137,707	138,000	147,206	n. a.
—	—	+ 1,435	+ 1,914	+ 7,141	n. a.	—	—	—	—
—	—	n. a.	—	—	n. a.	—	—	—	—
12,071	20,680	n. a.	- 4,554	- 4,500	+ 80	52,314	49,600	45,371	38,600
7,842	14,615	n. a.	n. a.	- 2,300	+ 975	—	—	—	—
4,229	6,065	n. a.	n. a.	- 2,200	- 895	—	—	—	—
9,639	26,138	n. a.	- 6,500	- 8,000	n. a.	n. a.	n. a.	96,745	n. a.
5,220	n. a.	+ 160	+ 495	+ 150	—	n. a.	n. a.	n. a.	n. a.
1,641	3,040	- 7	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.

3. Profit before taxation.

4. Capital Investment = Capital + Reserves + Long terms liabilities - Accumulated Losses.

5. Value of production refers to value of imports.

** Budgeted.

† For 9 months form April to December 1971.

‡ Excludes Thulhiriya Mill.

TABLE II (C) 5

Employment in the State Industries 1968/69 to 1972

Corporation ¹	Number of Persons				
	1968/69	1969/70	1970/71	1971	1972
1. National Milk Board ..	1,092	1,692	1,760	1,954	2,161
(a) Processing and distribution ..	910	1,305	1,340	1,782	1,924
(b) Condensed Milk Factory ..	182	226	226	n.a.	n.a.
(c) Powdered Milk Factory ..	—	161	194	172	237
2. Eastern Paper Mills ..	1,379	1,240	1,380	1,881	2,220
3. Ceylon Ceramics ..	904	998	1,130	1,060	1,256
4. Ceylon Oils & Fats ..	722	770	810	889	938
5. Ceylon Plywoods ..	852	1,199	1,226	1,647	2,439
6. Ceylon Leather Products ..	688	690	864	908	899
7. Paranthan Chemicals ..	300	317	321	315	350
8. Ceylon Cement ..	1,786	2,379	2,332	2,573	2,628
9. Sri Lanka Sugar ..	2,220	2,234	n.a.	n.a.	n.a.
10. Ceylon Mineral Sands ..	389	407	426	475	515
11. National Salt ..	1,309	1,492	1,589	2,013	2,201
12. National Textiles ..	1,954	2,170	2,700	4,124	6,040
13. Ceylon Steel ..	953	960	927	943	1,172
14. Ceylon Tyre ..	1,095	1,302	1,423	1,657	1,893
15. National Small Industries ..	1,880	2,060	1,939	1,935	1,950
16. Ceylon State Hardware ..	1,081	1,085	1,124	1,400	1,221
17. State Flour Milling ..	413	425	481	551	550
18. Ceylon Fisheries ..	1,308	3,417	2,861	1,807	2,297
19. State Fertilizer Manufacturing ..	33	60	93	105	99
20. Ceylon Petroleum—Oil Refinery ..	378	477	381	418	496
Blending Plant ..	—	66	66	115	129
21. Ceylon Ayurvedic Drugs ..	—	147	142	201	329
22. State Timber ..	1,228	1,517	1,606	2,394	2,360
23. State Printing ..	n.a.	92	107	n.a.	n.a.
24. Marketing Department—Fruit Canning Factory ..	155	170	n.a.	n.a.	229
25. State Distillery—Seeduwa ..	73	83	83	n.a.	n.a.
26. State Graphite ..	—	—	—	—	1,609
Total ..	22,192	27,449	25,771	29,365	35,981

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, Figures for 1971 and 1972 are for Calendar year.

TABLE II (C) 6

Exports by State Industrial Corporations

Corporation	1970/71		1971		1972	
	Quantity	Exch. Earned (Rs. '000)	Quantity	Exch. Earned (Rs. '000)	Quantity	Exch. Earned (Rs. '000)
1. Ceylon Ceramics						
Crockery 4 inch Saucers Dozs.	36,108	85.8	n. a.	n. a.	n. a.	502.0
Kaolin Tons	1	0.2	n. a.	n. a.	n. a.	n. a.
2. Mineral Sands						
Ilmenite Tons	82,099	2,888.1	85,300	3,751.4	84,150	4,709.8
Rutile Tons	1,110	914.0	1,010	802.2	3,225	2,573.8
Zircon Tons	—	—	—	—	10	2.0
3. Plywoods						
Plyboards Sq. Ft.	3,706†	312.5	—	—	—	—
4. State Flour Milling						
Bran & Pollard Tons	8,107	3,337.7	15,771	4,314.7	16,910	5,645.5
5. Ceylon Oils & Fats						
Fatty Acids Tons	1,280	2,479.1	979	2,328.7	1,482	4,000.0
Glycerine Tons	148	231.2	202	401.1	231	514.0
6. Petroleum						
Naphtha (Mt. Tons)	77,210	6,039.0	—	—	—	—
Furnace Oil (Mt. Tons)	35,000	2,499.0	548,673	57,914.0	410,248	39,876.8
Bunkers & Other „	n. a.	86,500.0	114,062	24,438.9	114,117	29,495.2
7. State Hardware						
Pruning Knives Nos.	3,924	13.0	—	—	—	—
Hardware Items Units	—	—	4,000	10.0	12,000	14.0
8. Graphite						
Plumbago	—	—	—	—	—	9,753.0
9. Leather Products						
Chrome Leather Sq. ft.	—	—	8,000	19.9	108,500	356.3
Bark Leather Lbs.	—	—	22,249	16.2	129,756	146.0
10. Cement						
K. K. S. Cement Tons	—	—	—	—	50	6.9
11. Ceylon Fisherels						
Wet & Frozen Fish Lbs.	—	—	496,243	1,012.0	151,541	401.9
Shark Fins Lbs.	—	—	44,193	274.2	41,758	312.6
Total		105,299.6		95,283.3		98,309.8

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

† Cubic Metres.

3. INDUSTRIES IN THE PUBLIC SECTOR

A. Food, Beverages and Tobacco

(a) National Milk Board:

In 1972, the output at the powdered milk factory increased from 13.1 million lbs. in 1971 to 17.9 million lbs. which was 36 per cent higher than that of the previous year. Value of production too, has shown a corresponding increase. Sales turnover has recorded a substantial increase to reach Rs. 54.1 million in 1972. The profit of the powdered milk project was Rs. 5.6 million in 1971 and the results in 1972 have not yet been finalised.

Data relating to condensory were not made available.

(b) Oils and Fats Corporation:

The capacity of the provender plant has increased in 1972. Its output of 66 thousand tons of provender represented 92 per cent utilization of plant capacity. The output of oil has recorded a 131 per cent increase from 480 tons in 1971 to 1113 tons in 1972, but it was only 30 per cent of capacity. Production of fatty acids has declined while the production of glycerine remained static.

The turnover recorded a 66 per cent rise over the previous year. The foreign exchange earned by exporting fatty acids and glycerine increased by 90 per cent to reach Rs. 4.5 million. The budget for 1973 anticipates a substantial increase in output and a bigger sales turnover.

Meanwhile, the profit in 1972 was Rs. 1.2 million compared to Rs. 2.8 million in the previous year. This decline was largely on account of an increase in the wage bill which rose from Rs. 2.3 million in 1971 to Rs. 3.3 million in 1972.

This Corporation was entitled to a Government grant since it was required to maintain the selling price of provender at a level below that of the open market price in order to encourage the local poultry industry. This was taken into account in working out the profitability.

(c) Sri Lanka Sugar Corporation:

Total capital investment of the Corporation amounted to Rs. 146.5 million in 1972. Data relating to the financial year 1972 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 has recorded its highest level of output since the commencement of commercial production in 1969. The value of output of flour increased by 10 thousand tons to 71 thousand tons which is slightly above the installed capacity. With this level of production the Corporation

is meeting only one-fifth of the annual demand of flour in Sri Lanka. In the circumstances, the Corporation is planning to increase its capacity to manufacture 110,000 tons with Soviet Technical Assistance.

In spite of an increase in production and turnover and an upward revision of prices of bran and pollard, the Corporation incurred a loss of Rs. 2.2 million as against a profit of Rs. 1.8 million in the previous year. This was largely on account of an increase in the prices of imported raw materials and due to the local selling price. The Corporation earned Rs. 5.7 million in foreign exchange by exporting bran and pollard.

(e) National Salt Corporation :

With the establishment of a new saltern at Kurunchative in the Northern Province the Corporation's capacity for production of salt increased substantially. This year was an exceptionally good year in production and the Corporation was able to produce and purchase a record 156,250 tons of salt due to favourable weather conditions, creation of additional capacity and improvements made to existing salterns. Since this exceeds the domestic demand of 90,000 tons per annum, the Corporation is exploring possibilities of exporting the balance.

The value of output doubled from Rs. 3.8 million in 1971 to Rs. 7.03 million in 1972. Sales, however, were almost static but profits were slightly lower largely on account of increased costs. Limited sales constitute a major constraint for this Corporation to improve profitability on increased production. Profit before tax amounted to Rs. 1.5 million in 1972. The return on capital employed was 6.63 per cent compared to 22.89 per cent in the previous year. Wage bill of the Corporation was Rs. 3.2 million in 1972.

In 1973, the Corporation has budgeted for a lower output largely because of the unsold stocks of the previous year. Sales, however, are expected to increase and the Corporation anticipates a moderate increase in profits.

B. Textiles, Wearing Apparel and Leather Industries

(a) National Textiles Corporation :

The Spinning and Weaving sections of the Thulhiriya mill were commissioned in 1971. This mill could eventually have an annual capacity to produce 17 million lbs. of yarn and 14 million yards of cloth.

The value of production at Veyangoda mill declined marginally from Rs. 37.3 million in 1971 to 36.6 million in 1972. Sales also have recorded a corresponding decrease.

Data relating to the financial year 1972 were not available in respect of Thulhiriya Mill and hence it is not possible to review the Corporation's overall performance for the period.

(b) Ceylon Leather Products Corporation :

The output of chrome leather and leather goods has recorded an increase, whereas that of shoes and bark leather declined during the year under review. A new factory was established for the production of leather goods at the Ekala

Industrial Estate in mid-1972. The output of leather goods such, as brief cases, gloves, sports goods, picks for the textile industry and straps, rose by 46 per cent. The domestic market absorbed the entire output of leather goods.

The Corporation's shoe factory worked at 67 per cent of its capacity mainly on account of production being geared to the internal market demand. The accumulation of stocks of shoes has been due to increasing competition from private firms in the industry.

Some structural changes in the leather industry were noticeable in 1972 with the intervention of the Corporation in the supply of certain raw materials to private producers. For instance, the Corporation took over the production and distribution of chrome tanned leather manufactured by the Indo-Ceylon Leather Co. Ltd. Furthermore, the Corporation supplies the chemicals required by local tanners.

It may be noted that the Corporation has exported chrome leather and bark leather amounting to Rs. 0.5 million. This Corporation recorded a profit of 272 thousand rupees as against a loss in the previous year. Employment decreased from 908 in 1971 to 899 in 1972.

C. Wood and Wood Products

(a) Ceylon Plywoods Corporation :

With the commissioning of Wood Work Complex at Avissawella, the Corporation has an overall capacity to manufacture 105 million sq. ft. of 3 ply plywood. The chip board plant was commissioned towards the end of 1971 and the plywood factory commenced production in mid-1972.

The production of tea chests increased from 1.043 million in 1970/71 to 1.181 million in 1972. The budgeted output of tea chests in 1973 at 2.6 million is 112 per cent higher than the output in 1972 and reflects a continuance of an increasing production trend in recent years. Under-utilization of capacity at the Gintota factory was due to irregularities of timber supplies.

Now the Corporation is responsible for the import and distribution of tea chests and fittings. Consequently, the turnover increased substantially in 1972. On a higher turnover the Corporation made a profit of Rs. 1.56 million representing a 14.4 per cent return on capital employed. Total capital invested by this Corporation amounted to Rs. 124.5 million. In 1973, the Corporation expects to more than double its value of output.

(b) State Timber Corporation :

During the year under review this Corporation has invested Rs. 9.7 million on new capital assets such as transport equipment and construction work. In 1972, the production and sales were higher than that of the previous year. Despite the increase in turnover the Corporation incurred an estimated loss of Rs. 3.4 million in 1972 compared to the profit of Rs. 1.1 million in 1971. This is attributed to the increase in the wage bill from Rs. 4.2 million in 1971 to Rs. 6.2

million in 1972. Meanwhile, the loss is estimated to fall to Rs. 2.4 million in 1973. The Corporation has exported 1,856 cu. ft. of logs through Consolidated Exports to the value of Rs. 0.28 million in 1972.

D. Paper and Paper Products, Printing and Publishing

(a) Eastern Paper Mills Corporation :

The Paper Board Mill at Valaichchenai commenced commercial production in May 1972 with an annual capacity to manufacture 12,000 tons of paper boards. Together with the old mill at Valaichchenai this Corporation now has an annual capacity to manufacture 22,500 tons of paper.

The output of paper and paper products increased by 52 per cent; the increase in turnover was 72 per cent over the previous year. The relatively higher growth of turnover was attributed to the upward revision of prices of all grades of local paper with effect from November 1971. In view of the increased cost of production, the Corporation incurred a loss from its manufacturing activities for the last three quarters of 1971. Financial results from manufacturing activities in 1972 were not available.

The average capacity utilization has decreased from 87 per cent in 1971 to 62 per cent in 1972. This low utilization of capacity was due to interruptions in production in view of the need to integrate the new paper board mill with the old pulp and paper plant at Valaichchenai. The low quantity of production is also due to the high quality of paper produced with low gram weight.

This Corporation also trades in imported paper. Its paper imports have been declining since 1966/67.

The Corporation has commenced construction of its pulp and paper factory at Embilipitiya for the manufacture of printing and writing paper with an annual capacity of 15,000 tons. The proposal to establish another mill at Rajangane is under consideration.

Employment of this Corporation has recorded an increase by 339 to reach 2,220 in 1972.

(b) State Printing Corporation :

The total investment of this Corporation was Rs. 10.1 million in 1972. Data relating to the financial year 1972 were not available.

E. Chemicals, Petroleum, Rubber and Plastic Products

(a) Paranthan Chemicals Corporation :

There has been an increase in the output of all the leading items produced by the Corporation in 1972. Capacity utilization in the production of liquid chlorine and hydrochloric acid was 44 and 32 per cent respectively. The low utilization of capacity was due to the limited market for these products. The value of sales increased substantially by 27 per cent to reach Rs. 5.2 million in 1972. This is largely on account of increased prices of caustic soda solid from

Rs. 1,800 to Rs. 1,920 per ton and calcium chloride from Rs. 700 to Rs. 1,500 per ton. On a higher turnover in 1972, the Corporation made a profit of Rs. 0.3 million from its manufacturing activities representing 2.8 per cent return on capital employed. However, the total profits of the Corporation decreased during the year under review.

(b) *Ceylon Tyre Corporation :*

The Ceylon Tyre Corporation has the capacity to manufacture 250,000 tyres and 250,000 tubes. The Corporation deliberately limited its manufacture of truck tyres owing to sales difficulties. Production of tyres decreased from 158,400 in 1971 to 149,293 in 1972. Capacity utilization continued to be low due to the fact that the Corporation has moulds to manufacture only a limited range of tyre sizes.

The value of production increased marginally. Meanwhile, the value of sales increased by Rs. 8.3 million to reach Rs. 51.9 million in 1972. During the year under review the Corporation made a profit before tax of Rs. 9.3 million compared to a profit of Rs. 8.5 million in the previous year. This year's return on capital employed was 13.84 per cent while it represented 9.3 per cent on invested capital of Rs. 100.2 million. The use of local raw materials decreased from 27 per cent in 1970/71 to 21 per cent in 1971/72. Employment increased from 1,657 in 1971 to 1,893 in 1972.

(c) *Ceylon Petroleum Corporation :*

Oil Refinery

With a view to meeting the local demand for petroleum products the Corporation has plans to increase the crude oil refining capacity from 1.8 million tons to 2.2 million tons.

The production at the oil refinery increased from 1.4 million metric tons in 1971 to 1.6 million metric tons in 1972. The value of output of all its products rose by Rs. 101 million to reach Rs. 235 million in 1972 mainly because of an increase in the price of crude oil. Imports of crude oil for refining increased by 17 per cent whereas the value of imports rose by 35 per cent on account of rise in import prices. According to provisional data the refinery has made a profit of Rs. 33.1 million in 1972 as against Rs. 17.3 million in the previous year.

Lubrication Oil Blending Plant

At this plant base oils and additives are blended into various grades of lubricants. There has been a slight decline in both quantity and value of output. However, the level of output was adequate to meet market requirements. In spite of a decline in the sales quantity, domestic sales turnover increased owing to the upward revision of transfer prices by 10 cents per gallon. This was on account of price increases of its purchases, i.e. base oils and additives.

(d) Ayurvedic Drugs Corporation :

This Corporation took over the functions of the Ayurvedic Drugs Manufacturing Unit of the Small Industries Corporation in 1969. In addition to the manufacture of drugs this Corporation engages in the import and distribution of raw and prepared Ayurvedic, Siddha, Unani and other drugs.

The value of output doubled in 1972 over that of the previous year. Meanwhile, the Corporation has budgeted for a substantially higher output in 1973. The increased turnover in 1972 over 1971 was largely on account of an upward revision of prices which was made in June 1972. The profit from its manufacturing activities is estimated to be Rs. 0.35 million in 1972 as against Rs. 0.26 million in the previous year. Employment increased from 201 in 1971 to 329 in 1972.

(e) State Fertilizer Manufacturing Corporation:

This Corporation which was established in 1966 is expected to implement a project for the manufacture of Urea with an annual capacity of approximately 280,000 tons. The main raw material for production would be naphtha, a by-product of the Sapugaskanda Oil Refinery. The project is expected to cost around Rs. 350 million.

F. Non-Metallic Mineral Products (except Petroleum Products)*(a) Ceylon Ceramics Corporation:*

There was an all-round increase in the output of all kinds of products of this Corporation in 1972. The crockery and sanitary ware section recorded a production which was above capacity. Production at the Kaolin Refinery was 15 per cent below capacity because of market limitations. The value of production rose by 34 per cent to Rs. 12.9 million in the year under review over 1970/71. On a higher turnover in 1972 the Corporation made a substantially enhanced profit of Rs. 5.5 million. The return on capital employed in production was 27.5 per cent.

The Corporation has taken steps for the establishment of a ceramics factory in Rattota with an annual capacity of 1,040 tons for the manufacture of porcelain table-ware. This plant is scheduled to commence production at the end of 1973.

Employment in 1972 was 1,256 as against 1,060 in 1971

(b) Ceylon Cement Corporation:

The total output of the three cement factories declined marginally from 379,000 tons in 1971 to 377,000 tons in 1972. With the commissioning of Stage II of the Puttalam Cement Works, the overall annual production of all three factories is estimated to increase by 59 per cent to 597,000 tons of cement by 1973.

In spite of a slight fall in turnover the Corporation's profits increased by Rs. 6.0 million (33 per cent) to Rs. 20 million in 1972 while the return on capital employed was 11.6 per cent.

The overall utilization of installed capacity was 63 per cent. The low utilization of capacity in the Galle plant is largely due to the absence of an uninterrupted supply of clinker.

At present the Corporation is exploring the possibility of exporting a part of its output after the commissioning of Stage II of the Puttalam Cement Works. In 1972 the Corporation earned Rs. 6 thousand by exporting cement.

Employment increased from 2,573 in 1971 to 2,628 in 1972

(c) National Small Industries Corporation :

This Corporation which once produced a great variety of products has now handed over most of its activities to a number of other allied Corporations functioning under the Ministry of Industries and Scientific Affairs. Its bricks and tiles factories were handed over to the Ceylon Ceramics Corporation on the 1st of October 1972 and the Carpentry workshops to the Ceylon Plywood Corporation on the 1st of November 1972.

The production of bricks recorded a decline during the year under review. However, the value of total output has increased marginally to reach Rs. 11.2 million.

(d) Ceylon Mineral Sands Corporation:

There has been a decrease in the quantum of production in respect of all items manufactured by the Corporation during the year under review. The low utilization of capacity in the production of rutile was due to the inferior quality of mineral sands used. Meanwhile, there has been no production of refined zircon due to the lack of water.

The value of sales recorded an increase of 60 per cent from Rs. 4.5 million in 1971 to Rs. 7.4 million in 1972, on account of better prices obtained for the export of ilmenite. However, inspite of a higher turnover the Corporation's profits remained almost static owing to an increased wage bill. The return on capital employed in production was 12.5 per cent in 1972.

The value of exports also increased from Rs. 4.5 million in 1971 to Rs. 7.2 million in 1972. Meanwhile, the Corporation has planned to set up an integrated Mineral Sands Complex at Pulmoddai by expanding its production facilities with assistance from the Asian Development Bank.

Employment increased from 475 in 1971 to 515 in 1972.

G. Basic Metal Industries

(a) Ceylon Steel Corporation:

The proposal for Stage II of the steel project is being studied by the Corporation. Meanwhile, a steel foundry for the manufacture of carbon and alloy steel is scheduled to be commissioned shortly.

In 1972, there was an increase in the output of both rolled and wire products over that of the previous year. This was reflected in the value of production which increased from Rs. 51 million in 1971 to Rs. 67 million in 1972. However, in view of the limited local demand, production at the rolling mill was confined to 40 per cent utilization of capacity.

The sales of rolled products remained almost static, while sales of wire products fell slightly in 1972. The sales turnover increased by Rs. 9.2 million largely due to rise in the selling price.

The profits in 1972 were Rs. 7.1 million as against Rs. 1.9 million in the previous year. In 1973 the Corporation anticipates a near doubling of its profits on an estimated higher level of production and sales.

H. Fabricated Metal Products, Machinery and Equipment

(a) Ceylon State Hardware Corporation:

The output of this Corporation has recorded an increase in 1972. In this year with the gradual exhaustion of imported equivalents and on account of an upward price revision, the Corporation was able to increase its sales turnover by nearly 300 percent, over 1970/71. It anticipates to increase its sales turnover by another 75 per cent in 1973.

The local demand for mammoties at present is in the region of 700,000 per annum and the Corporation has the capacity to manufacture only 480,000 mammoties per annum. With a view to meeting the internal demand the Corporation has plans to expand its capacity at the mammoty plant at Yakkala. In 1971, the Corporation made a loss of Rs. 4.5 million; the financial results for 1972 have not yet been finalised. However, due to the re-organisation in the production programme and a vigorous sales promotion drive, this Corporation may be able to reduce its losses in this year.

4. OTHER PUBLIC ENTERPRISES

A. Agriculture, Forestry and Fishing

(a) Ceylon Fisheries Corporation:

In 1972 there has been an all-round decrease in the output of products of this Corporation with the exception of ice.

The production of canned fish fell by more than half. Sales turnover also dropped from Rs. 10.9 million in 1971 to Rs. 9.6 million in 1972. It may be noted that the fish canning factory worked well below capacity during the year under review.

In this year the Corporation exported wet and frozen fish and shark fins worth Rs. 0.7 million in foreign exchange and it anticipates to earn Rs. 8.7 million in foreign exchange in 1973.

(b) Ceylon State Plantations Corporation

In 1972, this Corporation managed 26 plantations and four factories. The total acreage of plantations increased to 32,000 acres, of which 20,849 were planted. The revenue from the operation of plantations increased substantially to reach Rs. 25.8 million during the year under review. Taken together, (plantations and factories) this Corporation recorded an enhanced profit of Rs. 1.6 million for the 15 month period ended December 1972 compared to Rs. 0.4 million in 1970/71. According to provisional data for 1972, however, the Corporation incurred a loss of Rs. 0.14 million on the management of factories compared to a profit of Rs. 0.03 million in the previous year.

B. Transport, Storage and Communications*(a) Ceylon Transport Board*

The Board has imported buses and bus chassies to the value of Rs. 30.8 million during its financial year ended 31st September 1972 as against Rs. 26.5 million in the previous year. This helped to narrow the gap between the required number of vehicles and the available effective fleet.

In 1971/72 the scheduled mileage increased by 10.7 million miles while the operated mileage increased by 29.8 million miles over the previous year. It may be noted that the Board was successful in reducing the lost mileage caused by breakdowns and non-availability of crews at the required time from 64.3 million miles in 1970/71 to 50.1 million in 1971/72. Meanwhile, dead mileage due to empty travel of buses from garages to starting points etc. increased slightly.

Employment continued to increase and in 1971/72 the total workforce was 51,301 or 3,161 more than in the previous year. Number of employees per bus on available effective fleet was on an average 8 in 1971/72, as against 10 in 1970/71.

The Board's expenditure increased by Rs. 46 million to Rs. 412 million in the year under review. The Wage bill of the Board increased from Rs. 203 million in 1970/71 to Rs. 225 million in 1971/72. The greater increase in expenditure was offset by an increase in revenue. However, this was inadequate and the Board sustained a loss of Rs. 10 million compared to a loss of Rs. 56 million in the previous year.

(b) Colombo Port Commission

Revenue which has shown an upward trend since 1967/68 increased marginally from Rs. 50.5 million in 1971 to Rs. 51.3 million in 1972. Meanwhile, working expenditure, which has been increasing over the years, showed a marginal fall from Rs. 30.5 million in 1971 to Rs. 30.2 million in 1972. The Port Commission has recorded an overall surplus of Rs. 2.5 million in 1972 as against Rs. 3.0 million in the previous year. In 1972 the wage bill amounted to Rs. 28.5 million while the total work force was 8,456 persons.

TABLE II C (7)
State Plantations Corporation (a)

Items	1967/68	1968/69	1969/70	1970/71	1971/72*
1. Capital Invested (Rs '000) (b)	32,000	36,290	38,414	40,965	44,624
On Plantations	25,000	29,262	31,386	33,815	37,466
On Factories	7,000	7,028	7,028	7,150	7,158
2. Plantations					
Numbers	15	15	13	13	26
Acreage	14,734	14,250	13,015	12,827	32,009
Acreage Planted	6,719	9,699	9,691	9,814	20,849
Revenue (Rs. '000)	5,184	4,740	4,403	5,936	25,834
Profit (+) or Loss (-)					
(Rs. '000) (c)	+ 725	+ 12	+ 30	+ 448	+ 1,750
Employment (Nos.)	8,594	7,389	6,202	6,775	18,079
3. Factories					
Numbers	4	4	4	4	4
Revenue (Rs. '000)	1,125	4,175	3,081	3,802	4,325
Profit (+) or Loss (-) (c)					
(Rs. '000)	- 77	- 109	- 145	+ 29	- 144
Employment (Nos.)	356	351	298	226	271
4. Total					
Revenue (Rs. '000)	6,309	8,951	7,484	9,738	30,159
Profit (+) or Loss (-)					
(Rs '000) (c)	+ 295†	+ 11†	- 115	+ 477	+ 1,606
5. Employment (Nos.)	8,950	7,740	6,500	7,001	18,350

Source: Ceylon State Plantations Corporation.

(a) Figures are for accounting years October to September, but figures for 1971/72 are 15 month period ending December 1972.

(b) Cumulative as at end of accounting year

(c) Profit before Tax

* Estimated figures † Revised figures based on Auditor General's Report.

(c) Port (Cargo) Corporation:

The cargo handled by the Corporation continued to decline in 1972. This was primarily due to the decline in the cargo handled at the Ports of Colombo and Galle. Both revenue and expenditure of the Corporation fell marginally while the loss has increased from Rs. 9.2 million in 1971 to Rs. 9.4 million in 1972. However, profits from the Colombo Port rose slightly.

The capital investment of the Corporation in 1972 was Rs. 55.4 million, representing an increase of Rs. 1.1 million over the previous year. This was in respect of the Trincomalee Port. All three ports have recorded a decrease in employment.

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

(d) Port Tally and Protective Services Corporation

Total expenditure increased by Rs. 0.5 million to Rs. 8.1 million in 1972, while the total income of the Corporation from services rendered increased by Rs. 1.6 million to reach Rs. 11.2 million. On account of the higher increment in income the Corporation reduced its losses by Rs. 0.2 million and the loss in 1972 was Rs. 0.6 million.

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	687,455	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	78.7	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	168,444	140,679	144,010	147,010
8. Profit (+) or Loss (-) (Rs. '000) ⁷					
(a) On working	-22,869	-22,900	-30,998	-27,022	-28,178
(b) Overall	-46,164	-47,666	-57,438	-55,122	-57,438
9. Employment					
(a) Employed Numbers 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	1967/68	1968/69	1969/70	1971	1972
1. Capital Invested ² (Rs. '000)	246,110	267,369	320,392	376,494	n.a.
(a) Vehicles	195,349	211,506	251,942	294,364	n.a.
(b) Other	50,761	55,863	68,450	82,130	n.a.
2. Vehicle Fleet (Nos.)					
(a) Owned	5,457	5,881	5,923	6,404	6,428
(b) Operating Stock	4,721	5,110	5,625	5,834	5,923
(c) Available Effective	3,772	4,077	4,524	5,813	5,799
(d) Required	3,939	4,085	4,724	4,940	5,133
(e) Operated Average	3,700	3,935	4,170	4,494	4,808
3. Mileage (Mn. Miles)					
(a) Scheduled	239.4	249.9	269.5	301.2	311.9*
(b) Operated	211.2	217.4	233.8	241.1	270.9
(c) Lost	28.2	32.5	42.8	64.3	50.1
(d) Dead	2.3	1.9	1.5	1.9	2.2
4. Capacity Utilization					
(a) Total seat miles (Mn. miles)	11,386.8	11,643.5	12,333.7	12,625.3	14,361.2
(b) Total passengers carried (Mn. nos.)	1,250.1	1,313.6	1,357.7	1,335.8	1,391.6
(c) Total passenger miles (Mn. miles)	6,823.5	7,156.5	7,394.4	7,419.1	8,741.3
(d) Load Factor (%)	59.9	61.5	60.0	58.8	60.9
(e) Average Vehicle Utilization (Miles per day)	157	157	154	147	154
5. Revenue (Rs. '000)	265,600	279,500	287,916	n.a.	n.a.
(a) Passenger Fares	259,600	273,600	280,143	n.a.	n.a.
(b) Other	6,000	5,900	7,773	n.a.	n.a.

1. As at end accounting year October-September. Latest figures are for calendar year. 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.

TABLE II (C) 8
Transport, Storage and Communication

Ceylon Transport Board¹		1967/68	1968/69	1969/70	1971	1972
6. Expenditure ¹⁰ (Rs. '000)	..	272,900	292,200	322,100	366,743	412,212
7. Wage Bill (Rs. '000)	..	149,700	163,300	180,300	203,991	225,256
8. Employment ⁸ (Nos.)	..	37,547	40,097	40,832	48,140	51,301
9. Profit (+) or Loss (-) ⁷ (Rs. '000)	..	- 7,195	-14,046†	-34,187 ¹³	-56,707	-10,140
Air Ceylon Limited¹		1967/68	1968/69	1969/70	1971	1972
1. Value of Assets ² (Rs. '000)	..	13,698	22,149	80,304	140,304	n.a.
2. Passengers & Goods carried						
(a) Passengers (Nos.)	..	80,880	78,666	98,351	119,479	n.a.
(b) Goods (tons)	..	550	523	576	630	n.a.
3. Passenger & Ton Mileage						
(a) Passenger Mileage ('000)	..	60,577	59,619	69,545	69,710	n.a.
(b) Goods Ton Mileage ('000)	..	7,322	1,883	1,779	1,620	n.a.
4. Capacity Utilization (Load Factor %)						
(a) Internal Services	..	56.4	67.1	59.6	53.5	n.a.
(b) Regional Services	..	50.3	43.1	31.8	33.0	n.a.
(c) International Services	..	48.0				
5. Total Revenue (Rs. '000)	..	10,593	3,274	17,546	19,097	52,389
6. Total Expenditure (Rs. '000)	..	7,952	1,279	18,237	55,549	42,019
7. Profit (+) or Loss (-) ⁷ (Rs. '000)	..	+2,571	+ 1,995†	- 691	+2,078	+ 3,517
8. Employment ⁸ (Nos.)	..	553	609	681	716	806
Ceylon Shipping Corporation		1968/69	1968/69	1969/70	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)	..	—	—	—	+1,812	+ 710
5. Employment ⁸ (Nos)	..	—	—		108	116
Colombo Port Commission¹		1967/68	1968/69	1969/70	1971	1972
1. Capital Invested ^{2 3} (Rs. '000)	..	305,053	312,294	326,772	343,761	362,550
(a) Colombo Port	..	273,382	280,443	289,059	303,852	321,488
(b) Galle Port	..	25,784	29,087	31,914	33,610	33,944
(c) Trincomalee Port	..	1,399	1,806	2,100	2,331	3,098
(d) Other Ports	..	—	958	3,699	3,984	4,060

7. Profit before taxation. 8. As at end of year. 9. Includes Superannuation. 10. Includes interest paid on Government Loans. 11. Amended figures. 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	1971	1972
2. Revenue (Rs. '000)	36,328	41,029	44,414	50,574	51,716
(a) Colombo Port	35,959	40,750	44,048	50,309	51,314
(b) Out Ports	369	279	366	265	402
(i) Galle Port	30	33	60	72	134
(ii) Trincomalee Port	244	217	266	179	257
(iii) Other Ports	95	29	40	14	11
3. Working Expenditure (Rs. '000) ¹⁵	23,265	n. a.	30,419	30,551	30,294
(a) Colombo Port	22,370	26,762	30,015	29,785	29,124
(b) Other Ports	215	n. a.	379	742	1,141
(c) Coast Protection	663	n. a.	25	24	29
4. Surplus (+) or Deficit (-) ¹⁴ (Rs. '000)	+ 13,743	+ 6,590	- 4,448	+ 3,034	+ 2,595
(a) Colombo Port	+ 13,589	n. a.	+ 5,252	+ 5,731	+ 4,555
(b) Other Ports	+ 154	n. a.	- 9,700	- 2,697	- 1,960
5. Employment ⁸ (Nos.)	n. a.	8,489	8,647	9,013	8,456
Port Cargo Corporation¹	1967/68	1968/69	1969/70	1971	1972
1. Capital Invested (Rs. '000)	64,200	51,637	53,608	54,324	55,455
(a) Colombo	58,100	50,137	50,137	50,137	50,137
(b) Galle	6,100	1,500	1,500	1,500	1,500
(c) Trincomalee	—	—	1,971	2,687	3,818
2. Goods Handled ('000 tons)	3,185	3,531	3,071	2,984	2,703
(a) Colombo	2,906	3,223	2,757	2,729	2,485
(b) Galle	56	47	59	62	24
(c) Trincomalee	223	261	255	193	194
3. Revenue (Rs. '000)	86,700	115,555	123,560	122,780	120,167
(a) Colombo	80,200	105,662	114,484	114,683	112,135
(b) Galle	1,100	1,406	1,158	1,707	1,680
(c) Trincomalee	5,400	8,487	7,918	6,390	6,352
4. Expenditure (Rs. '000)	101,200	113,695	122,079	132,006	129,602
(a) Colombo	90,800	98,276	105,514	114,641	112,001
(b) Galle	3,100	3,294	3,622	3,966	3,709
(c) Trincomalee	7,300	12,125	12,943	13,399	13,892
5. Profit (+) or Loss (-) (Rs. '000)	-13,626	+ 1,861	+ 1,481	- 9,226	- 9,435
(a) Colombo	- 9,738	+ 7,386	+ 8,970	+ 42	+ 134
(b) Galle	- 1,991	- 1,888	- 2,464	- 2,259	- 2,029
(c) Trincomalee	- 1,897	- 3,637	- 5,025	- 7,009	- 7,540
6. Employment ³ (Nos.)	20,188	20,170	19,632	19,889	19,450
(a) Colombo	17,077	16,891	16,425	17,264	17,000
(b) Galle	631	847	854	800	650
(c) Trincomalee	2,480	2,432	2,353	1,825	1,800
7. Wage Bill (Rs. '000)	83,000	95,780	102,605	109,035	n.a.
(a) Colombo	74,400	83,199	88,881	94,081	n.a.
(b) Galle	2,800	2,995	3,367	3,829	n.a.
(c) Trincomalee	5,800	9,586	10,357	11,125	n.a.
Postal & Telecommunication Services¹⁶	1966/67	1967/68	1968/69	1969/70	1970/71
1. Capital Invested ² (Rs. '000)	114,500	121,438	130,569	141,092	n.a.
2. Postal Service (Rs. '000)					
(a) Income	51,500	58,524	62,428	62,878	65,619
(b) Expenditure	51,400	55,931	58,832	65,323	70,724
(c) Net Profit (+) or Loss (-)	+ 100	+ 2,593	+ 3,596	- 2,445	- 5,105
3. Telegraph Service (Rs. '000)					
(a) Income	20,000	26,686	24,229	27,451	29,068
(b) Expenditure	22,200	27,983	26,448	29,162	30,828
(c) Net Profit (+) or Loss (-)	- 2,200	- 1,297	- 2,219	- 1,711	- 1,760
4. Telephone Service (Rs. '000)					
(a) Income	26,100	26,319	29,975	34,281	44,875
(b) Expenditure	24,300	27,872	30,616	34,589	37,358
(c) Net Profit (+) or Loss (-)	+ 1,900	- 1,553	- 641	- 308	+ 7,517
5. Operating Results (Rs. '000)					
(a) Total Income	98,700	112,567	117,639	125,789	140,890
(b) Total Expenditure	99,000	112,886	117,043	130,275	140,352
(c) Net Profit (+) or Loss (-) ⁷	- 300	- 319	+ 596	- 4,486	+ 538
6. Employments (Nos.)	22,117	23,421	23,683	23,884	24,577

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. * Provisional. † Revised figures based on Auditor General's Report.

(e) Postal and Telecommunication Services

The expenditure on Postal Services increased by Rs. 5.4 million in 1971 while income increased by Rs. 2.8 million. On account of the higher increment in expenditure this Department made a loss of Rs. 5.1 million from its postal services compared to a loss of Rs. 2.4 million in the previous year.

In the case of Telegraphic Services, an increase in income set off a similar increase in expenditure and the overall loss was Rs. 1.7 million in 1971. The higher increase in income from Telephone Service set off a small increase in expenditure and a profit of Rs. 7.5 million was recorded in 1971 as against a loss in the previous year.

Thus the commercial accounts of the above mentioned major activities of the Postal Department have shown an overall profit of Rs. 0.5 million in 1971 compared to a loss in 1969/70.

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

Certain basic statistics relating to the C.W.E. for five years ending 1972 are given in Table II (C) 9.

The working capital at the end of 1972 was estimated to be Rs. 45.2 million compared to Rs. 66.4 million in 1970. During the year under review the C.W.E. has purchased locally goods amounting to Rs. 94.7 million while its value of imports amounted to Rs. 240.2 million. Of this import bill, Rs. 229.6 million was accounted for by food items. The drop in sales in 1972 by Rs. 38 million was mainly on account of import restrictions and the transfer of some of its activities to other institutions.

The C.W.E. made an estimated profit of Rs. 8.5 million as against a profit of Rs. 15.5 million in 1971. The contribution to Consolidated Fund in 1972 was Rs. 8.0 million. Employment increased from 6184 in 1971 to 6333 in 1972.

(b) Ceylon Petroleum Corporation

Since the end of 1969 this Corporation shifted from the import of refined petroleum products to purchase from its own Refinery and Blending Plant.

The total sales revenue which has been progressively increasing over the years stood at Rs. 582.1 million in 1972 as against Rs. 508.6 million in 1971. Sale of petrol, kerosene and furnace oil declined in 1972 while sale of diesel showed an increase.

The foreign exchange earnings of the Corporation recorded a decline from Rs. 84.5 million in 1971 to Rs. 69.3 million in 1972. The net trading profit has increased progressively in recent years and the profit in 1972 was Rs. 64.6 million as against Rs. 51.2 million in the previous year.

With the nationalisation of the marine bunkering trade this Corporation became the sole bunkering authority in all ports in Sri Lanka. The nationalisation of aviation refueling activities commenced in 1971 and the Corporation is now the sole supplier of aviation fuel.

TABLE II (C) 9

Wholesale and Retail Trade

Ceylon Petroleum Corporation	1969	1970	1971	1972
1. Capital Invested ¹ (Rs. '000)	198,859	196,688	204,891	n.a.
(a) Trading Network	35,974	47,726	55,250	n.a.
(b) Oil Refinery	157,918	144,531	145,234	n.a.
(c) Blending Plant	4,957	4,375	4,375	n.a.
(d) Seismic Survey	10	56	32	n.a.
2. Oil Imports and Purchases (Mn. glns)				
(a) Crude Oil	361.5	469.4	399.7	469.1
(b) Gasoline	31.2	—	3.6	—
(c) Auto Diesel	43.4	—	12.3	4.7
(d) Industrial Diesel	20.4	—	4.9	—
(e) Furnace Oil	17.7	—	—	—
(f) Kerosene	52.4	—	19.2	6.6
3. Oil Sales (Mn. glns.)				
(a) Gasoline	43.7	43.7	40.4	38.8
(b) Auto diesel	60.5	65.3	73.4	72.8
(c) Industrial Diesel	23.7	22.6	20.2	18.0
(d) Furnace Oil	73.5	47.1	165.2	138.2
(e) Kerosene	69.3	76.3	193.5	78.0
4. Income (Rs. '000)	377,100	406,384	508,676	582,194
(a) Oil Sales	374,058	401,298	464,148	525,471
(b) Others	3,042	5,086	44,528	56,723
5. Expenditure (Rs. '000)	344,444	380,821	n.a.	n.a.
(a) Purchase price of products sold	292,632	329,395	n.a.	n.a.
(b) Other	51,812	51,426	n.a.	n.a.
6. Net Trading Profit (+) ² (Rs. '000)	+32,655*	+39,030	+51,170	+64,600**
7. Employment (Nos.) ³	2,715	2,756	3,184	3,493
Co-operative Wholesale Establishment	1969	1970	1971	1972
1. Capital Working (nett) (Rs. '000)	100,863	66,448	n.a.	45,223
2. Total Turnover - (Rs. '000)	397,631	397,260	424,638	386,258
3. Total Expenditure (Rs. '000)	365,132	380,040	137,652	282,541
4. Profit (+) or Loss - ² (Rs. '000)	+26,841*	+17,218	+15,497	+8,490
5. Employment (Nos.) ³	5,301	5,233	6,184	6,333
Ceylon Fertilizer Corporation	1969/70	1970/71	1971	1972
1. Capital Invested - (Rs. '000)	11,857	13,889	n.a.	n.a.
2. Imports of Fertilizer (Tons)	157,288	201,785	267,984	275,506
3. Value of Imports (c.i.f. Rs. '000)	50,455	66,916	87,204	103,263
4. Sales Quantity (Tons)	186,433	201,680	268,904	373,632
5. Sales Value - (Rs. '000)	91,401	102,166	118,940	195,000
6. Profit (+)/Loss (-) ² (Rs. '000)	+10,625	+9,071	+10,100	+11,800
7. Employment - (Nos.) ³	271	372	466	499

Source: Data furnished by the respective Corporations.

1 Cumulative as at end of year - January - December except for Ceylon Fertilizer Corporation

2 Profit before taxation

3 As at end of years.

** Budgeted figures.

* Revised figures based on Auditor General's Report.

TABLE II (C) 10

Construction

State Engineering Corporation a.		1966/67	1967/68	1968/69*	1969/70*	1970/71*
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	46,695	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 the 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	35,122
6.	Profits (+)/Loss (-) (Rs. '000d)	.. -891†	-3,700†	+2,693	-7,844	-5,162
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	1971/72
1.	Capital Invested (c) (Rs. '000)	.. n. a.	811	2,857	4,250	10,000
2.	Acreage of land reclaimed	.. —	—	13.3	9.16	15.8
3.	Value of land reclaimed (Rs. '000)	.. —	—	5,075	4,200	16,000
4.	Revenue Rs. '000)	.. —	250	—	—	n. a.
5.	Expenditure (Rs. '000)	.. 12	1,017	1,741	1,677	7,467
6.	Surplus (+) or Deficit (-) (Rs. '000)	.. —	-196	-3030†	-1951†	+8,533
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.

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

* Provisional 1968/69, 1969/70 and 1970/71 figures have to be audited and are therefore subject to change.

Total employment of the Corporation increased from 3,184 in 1971 to 3,493 in 1972.

(c) Ceylon Fertilizer Corporation

The imports of fertilizer and mixing of fertilizer by the Corporation increased progressively over the years. The sales of fertilizer by the Corporation increased substantially in 1972 although its imports had recorded a marginal increase. The value of imports has, however, increased from Rs. 87 million in 1971 to Rs. 103 million in 1972.

On the higher turnover the profit of the Corporation in 1972 is estimated to be Rs. 6.3 million which is 50 per cent higher than in the previous year. The wage bill of the Corporation recorded a 36 per cent increase in 1972. In 1972 the Corporation contributed Rs. 2.5 million to the Consolidated Fund.

D. Electricity, Gas and Water.

(a) Ceylon Electricity Board

Data on operations of the Board in 1971 along with comparable data pertaining to the former Department of Government Electrical Undertakings are shown in Table II (C) 11.

The generation of power showed a substantial decrease in 1971. Total revenue in 1971 declined to Rs. 115.0 million due to decreased earnings from electricity sales.

In spite of a decrease in power generated and sold, expenditure recorded an increase in 1971, largely on account of interest and annuity charges on loans. Nevertheless, the Board recorded a profit of Rs. 42.6 million in 1971 compared to Rs. 28.3 million over the preceding 15 month period. The Board contributed Rs. 5 million to the Consolidated Fund in 1971.

The data relating to 1972 were not available.

TABLE II (C) 11

Electricity Board

		1967/68	1968/69	1969/70	1971
Ceylon Electricity Board(a)					
1. Capital Invested(b)	Rs. '000	649,800	741,900	867,800	n. a.
2. Capacity (Megawatts)					
i. Installed capacity		181.0	262.0	262.0	262.0
(a) Hydro Power		111.0	192.0	192.0	192.0
(b) Thermal Power		70.0	70.0	70.0	70.0
ii. Effective capacity		168.5	225.0	225.0	233.0
3. Power generated and Sold	Mn. Kwt.				
i. Units generated		594.4	701.0	974.0	849.0
ii. Units available(c)		581.4	688.0	966.0	843.0
iii. Units lost in transmission etc.		70.4	103.0	149.0	121.0
iv. Units sold		511.0	585.0	817.0	722.0
4. Electricity sales	Mn. Kwt.	511.1	585.0	817.0	722.0
i. Domestic		53.2	57.0	78.0	n. a.
ii. Commercial		77.8	79.0	109.0	n. a.
iii. Industrial		250.5	294.0	412.0	n. a.
iv. Local authorities		121.8	147.0	205.0	n. a.
v. Other(d)		7.8	8.0	13.0	n. a.
5. Total Revenue	Rs. '000	73,200	81,700	122,280	115,048
i. Electricity sales		69,800	78,200	117,620	108,579
ii. Other		3,400	3,500	4,660	6,469
6. Plant Utilization Factor(e)	Percent	39.4	30.5	33.1	36.0
7. Total Expenditure of which:	Rs. '000	64,100	72,400	93,670	112,500
i. Generation		10,300	12,200	9,440	7,070
ii. Transmission		3,300	3,900	7,610	6,770
iii. Distribution		3,500	4,400	8,250	7,580
iv. Overheads(f)		8,500	11,100	35,600	38,560
v. Interest & annuities		38,500	40,800	32,770	52,520
8. Profit (+) or Loss (-)(g)	Rs. '000	+8,500	+9,200	+28,300	+42,627
9. Employment(h)	Nos.	5,869	6,253	5,970	7,517

Source: Ceylon Electricity Board.

(a) For accounting years October-September. Figures for 1971 are for calendar year.

(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.

Table II (C) 12
Insurance Corporation (a)

I tem	1967	1968	1969	1970	1971
1. Capital Contributed (Rs. '000) ..	10,000	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	158,688
Value of life policies in force (Rs. '000) ..	549,000	676,200	896,600	997,800	1,093,000
Premium income (Rs. '000) ..	27,600	36,800	43,296	51,355	57,990
Claims ..	1,600	1,700	2,530	n. a.	505
Life Assurance Fund (Rs. '000) ..	71,299	97,838	127,878	168,813	215,130
Total income ..	32,001	37,318	49,971	61,044	70,930
Total expenditure ..	9,900	13,154	19,931	20,108	24,600
Surplus (+) or Deficit (—) (Rs. '000) ..	+22,101	+29,096	+33,039	—	+46,300
Expense ratio (%) ..	30.9	31.1	31.6	31.2	25.5
3. Fire Insurance Rs. '000					
Net Premium ..	19,158	20,303	25,839	23,100	24,460
Net claims paid and outstanding ..	3,359	5,261	5,731	7,584	7,610
Surplus (+) or Deficit (—) ..	+17,410	+12,768	+12,929	+15,326	+17,005
Underwriting reserve ..	12,427	13,151	16,795	15,015	15,890
4. General Accident Insurance (Rs. '000) ..					
Net Premium ..	24,567	28,975	35,111	32,797	39,007
Net claims paid and outstanding ..	24,100	29,300	42,665	45,972	44,063
Surplus (+) or Deficit (—) ..	+ 4,292	+ 2,594*	+ 1,947*	—1,928	—5,060
Underwriting reserve ..	15,968	18,877	n. a.	n. a.	25,350
5. Marine Insurance (Rs. '000) ..					
Net Premium ..	2,878	3,799	7,934	6,295	3,660
Net claims paid and outstanding ..	2,958	3,827	4,211	8,304	10,360
Surplus (+) or Deficit (—) ..	+ 1,140	+ 1,151*	+ 1,249*	+ 3,821	+ 2,580
Underwriting Reserve ..	2,813	3,626	7,944	6,295	3,660
6. Employment (Nos.) ..	1,388	1,505	1,617	1,901	1,998

Source: Insurance Corporation

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

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

E. Financing, Insurance, Real Estate and Business Services.

(a) Insurance Corporation

In 1971 the Corporation improved its performance in Life Insurance and Fire Insurance business. The number and value of life insurance policies issued and outstanding increased progressively in recent years and the increase in 1971 was higher than that of the previous year. Premium income too has recorded a steady growth and the amount in the Life Assurance Fund in 1971 was Rs. 215 million as against Rs. 168 million in the previous year. The ratio of expense to income fell by 5.7 over the previous year to 25.5 in 1971.

The Corporation recorded a profit of Rs. 17.0 million from Fire Insurance. However, the profits from Marine Insurance have decreased while the loss from General Accident Insurance rose substantially to reach Rs. 5.06 million in 1971. Final figures for 1971 are given in the table and no data for 1972 were made available.

Table II (C) 13

Other Financial Institutions¹

	(Capital Rs. '000)					Profit (+) or Loss (-) (Rs. '000) ²					Employment Numbers				
	67/68	68/69	69/70	1971	1972	67/68	68/69	69/70	1971	1972	67/68	68/69	69/70	1971	1972
1. Central Bank (Jan. - Dec.)	15,000	15,000	15,000	15,000	15,000	+ 4,751	+ 6,877†	+ 5,190†	+12,541	+13,179	1,510	1,476	1,531	1,541	1,596
2. Bank of Ceylon (Oct. - Sept.)	4,500	4,500	4,500	4,500	4,500	+14,702	+15,899	+15,217	+20,006	+27,490	2,085	2,319	2,486	2,562	2,901
3. People's Bank (Oct. - Sept.)	5,659	5,663	5,664	5,664	5,664	+ 1,582	+ 2,302†	+ 5,503	+10,186	+17,975	1,847	2,029	2,317	n. a.	n. a.
4. Agricultural & Industrial Credit Corporation (Oct. - Sept.)	29,350	29,350	29,350	29,350	29,350	+ 593	+ 646†	+ 747†	+ 840	+ 700*	45	52	56	52	50
5. National Savings Bank (Jan. - Dec.)	—	—	—	n. a.	n. a.	—	—	—	n. a.	+15599*	—	—	—	21	642
6. State Mortgage Bank (Oct. - Sept.)	6,004	8,314	10,902	10,902	10,902	+ 693	+ 485	n. a.	n. a.	n. a.	n. a.	n. a.	91	62	87
7. Development Finance Corporation (Apr. - March)	8,000	8,000	24,000	24,000	24,000	+ 1,803	+ 884	n. a.	+ 882	+ 839	n. a.	25	33	48	46

Source: Data Furnished by respective Institutions

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

Latest two years figures are for the calendar year.

* Budgeted.

† Revised figures based on Auditor General's Report.

TABLE II (C) 14

Ceylon Broadcasting Corporation^(a)

Items	1967/68	1968/69	1969/70	1971	1972*
1. Value of Assets (Rs. '000) (cumulative) ..	9,300	21,537	21,881	21,828	24,591
2. Revenue (Rs. '000) ..	8,876†	10,077	12,411	12,007	16,182
Licence Fees ..	4,258†	4,458	5,073	6,186	7,500
Commercial Services Sale of Time ..	3,782†	4,778	5,834	3,865	6,500
Other ..	836†	841	1,504	1,956	2,182
3. Expenditure (Rs. '000) ..	8,292†	9,662	11,814	13,282	16,647
National Service ..	n. a.	4,920	6,201	7,638	n. a.
Commercial Services ..	n. a.	4,742	5,613	5,644	n. a.
4. Profit (+) or Loss (—) (Rs. '000)(b) ..	+584†	+415	+597	-1,275	-465
5. Employment (Nos.) ..	839	1,050	1,308	1,498	1,614

Source: Ceylon Broadcasting Corporation.

(a) For financial years October to September.

(b) Before Taxation.

* Provisional.

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

F. Other Services**(a) Ceylon Broadcasting Corporation**

The income of this Corporation was 34 per cent higher in 1972 owing chiefly to an improvement in the sale of time in the commercial service which has been progressively increasing over the years. Expenditure, too, rose considerably and the overall loss fell from Rs. 1.2 million in 1971 to Rs. 0.4 million in 1972.

The operation of the Corporation in 1972 along with the comparable data pertaining to the former Department of Broadcasting are shown in Table II (C) 14.

TABLE II (C) 15
National Lotteries Board (a)

Items	1967/68	1968/69	1969/70	1970/71	1971	1972
1. Capital Invested (Rs. '000)(b) ..	602	751	760	1,469	n. a.	n. a.
2. Number of Lotteries held ..	54	56	64	69	67	63
3. Income (Rs. '000) ..	37,961*	37,297	33,680	30,542	29,153	25,292
(a) Sale of tickets ..	37,960	36,089	33,672	28,129	27,653	24,292
(b) Other ..	1	1,208	8	709	1,500	1,000
4. Expenditure (Rs. '000) ..	22,060	36,015	20,424	16,858	28,575	25,227
(a) Value of prizes ..	15,184	21,679	13,562	11,252	11,061	9,717
(b) Other ..	6,876	14,336	6,862	5,606	17,514	15,510
5. Surplus (+) or Deficit (-) (Rs. '000)(c) ..	+16,599	+ 1,182	n. a.	+ 1,358	+ 577	+ 65
6. Amount Contributed to the consolidated Fund (Rs. '000) ..	15,609	14,479	13,509	11,567	11,371	9,989
7. Employment (d) (Nos.) ..	140	93	115	133	n. a.	148

Source: National Lotteries Board

(a) Figures are for accounting years October to September, latest figures are for calendar year.

(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.

(b) National Lotteries Board

The number of lotteries held has decreased from 67 in 1971 to 63 in 1972. The income from sale of tickets showed a corresponding decrease. Meanwhile, income from the sale of articles offered as prizes was estimated to be Rs. 1.0 million in 1972 as against Rs. 1.5 million in the previous year. The Board made a surplus of Rs. 0.06 million in 1972 and the contribution to the Consolidated Fund decreased from Rs. 11.4 million in 1971 to Rs. 9.9 million in 1972.

TABLE II (C) 16

Other Trading Corporations

Corporation	Total Investment (Rs. 000) †		Imports (Rs. 000)		Exports (Rs. 000)		Total Expenditure (Rs. 000)		Total Income (Rs. 000)		Surplus (+)/ Deficit (-) Rs. 000		Employment (Nos.)	
	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972	1971	1972
1. Sri Lanka State Trading (General) Corporation	n.a.	12,588	54,887	57,012	n.a.	n.a.	n.a.	62,915	32,215	74,896	+ 6,871	+ 10,152	324	347
2. Sri Lanka State Trading (Consolidate Exports) Corporation	3,604	15,574	n.a.	n.a.	161,507	183,387*	n.a.	125,780	161,507	183,387*	+ 3,902	+ 1,917*	103	151
3. Sri Lanka State Trading (Tractor) Corporation	n.a.	2,281	6,431	39,809	—	—	6,753	42,025	7,390	45,389	+ 636	+ 3,800*	19	120
4. State Gem Corporation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	14	2,635	n.a.	+ 841	26	79
5. State Film Corporation	—	2,436	—	324	—	n.a.	n.a.	2,259	n.a.	3,282	n.a.	— 452	n.a.	14
6. State Pharmaceuticals Corporation	n.a.	1,043	n.a.	1,073	n.a.	n.a.	n.a.	1,484	n.a.	231	n.a.	+ 187	4	32
7. Coconut Marketing Board	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	330	n.a.	n.a.	n.a.	— 263	n.a.	55
8. Paddy Marketing Board	n.a.	159,021	—	—	—	—	21,273	n.a.	29,244	n.a.	n.a.	n.a.	453	1,517
9. Building Materials Corporation	n.a.	10,892	n.a.	n.a.	—	—	n.a.	n.a.	2,609	33,607	n.a.	n.a.	n.a.	n.a.
10. State Weaving Supplies Corporation	n.a.	8,563	n.a.	n.a.	—	—	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

† Total Investment = Capital + Reserves + Long term liabilities - Accumulated losses.

* Budgeted.

Source: Corporation Division of the Treasury and individual corporations.

TABLE II (C) 17

River Valleys Development Board (a)

Item	1967/68	1968/69	1969/70	1970/71	1972
1. Capital Invested (b) (Rs. Mn.) ..	n. a.	n. a.	924	979	1,062
(a) Gal Oya Scheme ..	n. a.	n. a.	670	680	680
(b) Uda Walawe Scheme ..	n. a.	n. a.	254	299	382
2. Cultivations					
(a) Gal Oya - Acreage of Paddy ..	96,453	95,901	98,333	—(c)	—(c)
- Acreage of other Subsidiary food crops (d) ..	1,695	2,319	2,311	—(c)	—(c)
(b) Uda Walawe - Acreage of paddy ..	3,081	5,511	7,618	8,548	9,357
- Acreage of other subsidiary food crops (d) ..	3,914	1,573	1,575	1,037	1,426
- Acreage of cotton ..	—	—	15	15	100
3. Youth Settlement (Nos.)					
(a) Gal Oya ..	138	138	138	—(c)	—(c)
(b) Uda Walawe ..	239	239	239	239	239
4. Profit (+) or Loss (-) (Rs. '000)					
Gal Oya ..	- 8,285	- 8,710	-152,397	-154,000	—(c)
Uda Walawe ..	- 4,160†	- 6,394	- 20,295	- 30,295	- 18,719
Of the entire Board ..	- 20,216†	- 16,104	-172,692	-184,295	- 18,719
5. Employment (Nos.)					
Gal Oya ..	4,825	4,785	6,958	3,066	415
Uda Walawe ..	5,031	6,034	10,335	11,272	14,060
Head Office ..	6,570	6,263	664	416	214

Source: River Valleys Development Board.

(a) Figures are for financial years October to September. Latest figures are for the calendar year.

(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.

† Revised figures based on Auditor-General's Report.