

Practical Survival Strategies in Times of Recession

NCCSL Seminar

The National Chamber of Commerce of Sri Lanka (NCCSL) will hold a full day seminar on "Practical Survival Strategies in Times of Recession" on Tuesday, 19th May 2009 from 9.00 am - 5.00 pm at Hotel Taj Samudra.

There have been a surfeit of seminars, discussions and presentations on the Global Financial Crisis; its causes, the extent of the downturn etc. However there has been very little advice given to organizations in Sri Lanka on what they should practically do and how they should face the challenges caused by the downturn in demand.

Therefore the Chamber thought it timely to hold a seminar on this topic, as many business organizations in the country and particularly exporters have been affected very significantly. This seminar, mostly conducted by practitioners in business organizations, will enlighten the participants with practical steps taken by them and provide advice on what Sri Lankan Companies could do to sustain their businesses during the crisis period, so that they may bounce back when the situation improves. The eight sessions are as follows.

Dr. Srimal Abeyaratne, Senior Lecturer, Colombo University will talk on the "Economic Scenario for the future: globally and locally". He will explain the extent of the global crisis and its repercussions to Sri Lanka, the Sri Lankan economy future trends in inflation, growth, exchange rates, and how businesses should prepare future scenarios for strategic decisions.

Chathuranga Samarakoon, Group Manager, MOS Projects, MAS Holdings will talk on excellent results the company has achieved by practicing "Lean Management practices" thereby reducing cost, reducing product development time, reducing inventories, reducing working space etc. Lean management Practices have enabled them to weather the current storm successfully.

Ravi Pieris, Director General, Employers' Federation of Ceylon will talk on "Restructuring without violating labour laws." Many companies are restructuring and reducing their workforce, changing working hours, using labour contractors etc, and some of these initiatives have been undertaken without proper professional guidance, and may lead to complications. In fact some companies have experienced problems with compliance audits of foreign buyers. Peiris will advise the organizations as to how they could restructure their organisations without violating labour laws.

Lesley Devendra, General Secretary - Sri Lanka Nidahas Sevaka Sangamaya will talk on "Effectively communicating with your work force in times of crisis." It is observed that many organizations have been deficient in communicating the current crisis to the employees and have thus failed to take the workers as partners in the restructuring

process.

Manoj Gunawardane, CEO of Sri Lankan Airlines will describe his experience in "Changing the business model to suit current conditions". He will highlight how Sri Lankan Airlines reduced its overheads and rescheduled their flights and re-looked at their value chain in order to survive in the current downturn in air travel.

Ravi Fernando, Director, Corporate Branding and Strategic Sustainability of MAS Holdings, and CEO of the Sri Lanka Institute of Nano Technology, will explain why organizations should adopt "Sustainable Business Strategies". He will talk about the global trend in approaching business from a triple bottom line perspective and expand on economic sustainability with practical ideas on how to re-look at the brand strategy, marketing strategy and marketing techniques.

L. G. Perera, Managing Director, DFCC Vardhana Bank will talk on "Effectively managing company finances and bank facilities as a measure to sustain business in difficult times". He will advise on how to manage finances within the organization and how to approach banks for re-scheduling and assistance during difficult times.

All the practical ways mentioned above will help businesses and industries to adopt suitable strategies to survive in the difficult times. However to achieve a well rounded result, it is of utmost importance that the relevant players will adopt a simpler life style avoiding unnecessary expenses in their day-to-day activities.

Dr. A. T. Ariyaratne, the Founder President of Sarvodaya Movement will explain about "A new life style for a new era". He will advise the participants as to how they could benefit by adopting a new life style.

Sunil G Wijesinha, Chairman/Managing Director of Dankotuwa Porcelain PLC, who is also the Deputy President of the NCCSL, will moderate the seminar.

The seminar is ideal for Managing Directors, Executive Directors, Chief Executive Officers, General Managers, Senior Managers and Proprietors of organizations to gain practical experience from those who managed the crisis well and are successful in leading their organizations towards success amidst the global financial and economic crisis.

For registration, you may contact Mrs Wijemanne/Ms Fouad on 4741788. Registrations will be limited and will close when all the places are filled or by 4.30 pm on Friday 15 May 2009.

Mannar - have we forgotten its potential?

Mannar - Salt and clay
Although the main livelihoods are in fishing and paddy, prior to the conflict the industrial sector in Mannar was slowly growing. Apart from the 2 larger scale industries, the salt factory and the Pesalai fish

and pottery industries as well.

Mannar - Way Forward

Credit facilities
Credit facilities are very poor in Mannar, with banks very hesitant in granting loans and overdraft facilities. This is largely due to the prevailing local situation, where business turnover is very poor and collateral is weak. Many farmers, fishermen as well as local businessmen urge the need for SME concessionary lending schemes to fill this lacuna in financing. Particularly to spur SME



processing centre, there were nearly 500 small and medium scale industries in the past. The Mannar saltern, under the Manthai Salt Corporation, produced around 4,000 MT of salt annually, however now this is reduced by a third. It still supplies limited quantities to the fishing industry for dry fish production and ice manufacture. However, this far from meets demand and capacity needs to be increased. On this, Rex Culas noted that, "to get salt production underway, a couple of small bunds need to be erected in the lagoon and a few water pumps need to be set up. This will cost around Rs. 1 million. As the site is along the main road, transport and other facilities are easily accessible".

Standard clay is available in various parts of Mannar, particularly in Murunkan, and was once used as a raw material by the KKS cement factory. There is potential for tile, brick

industrialists, a soft loan scheme could be introduced to encourage restarting of the 500 odd businesses that were in Mannar. Given the hesitation among banks to lend to enterprises with poor turnover, this lending could be accompanied by some training in running an SME business.

Lack of telecom connectivity

One of the biggest difficulties faced by ordinary Mannar residents is that there is no mobile phone or CDMA connectivity in the entire district! Even land phones are disconnected in nearly all parts of the district except in Mannar town. The Mannar chamber of commerce had made several representations to higher authorities to rectify this, but there has been no resolution to the problem up to now. Also, internet connectivity exists (via dial-up only), but businesses complain that it is extremely slow. The urgent need of full restoration of mobile and CDMA connectivity ought to be looked at soon, once appropriate security considerations are made.

Transport infrastructure

Due to the years of conflict, the economic infrastructure in Mannar is very run down.

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Particularly in improving transport infrastructure, several projects are now underway. A major project recently concluded was the construction of a new Mannar bridge and the improvement of causeways and connecting roads by the Japan International Cooperation Agency (JICA). This will open up opportunities for the access of people and goods. The new Mannar bridge, rebuilt at a cost of \$ 19 million, will benefit over 50,000 people as it is the only connection between the mainland and Mannar island.

The Mannar chamber remarks that the main constraint to business in Mannar is the restricted movement of goods beyond the Medawachchiya checkpoint and the delays and resultant increased costs due to cross-loading there. Once the security situation improves, however, this constraint will surely ease.

Mannar - Work Begins - reinvesting in the district, reversing the neglect

Some initiatives are underway to improve the situation in Mannar. The government spent nearly Rs. 1.7 billion in 2007 alone, mainly in agriculture, human settlements and



transport infrastructure. Non-governmental organisations spent around Rs. 325 million in 2007, with nearly half of this going towards human settlements but spending was also on social and economic infrastructure.

Given the inflow of IDPs to Vavuniya and some of them being brought to Mannar as well, the focus will be on humanitarian efforts in the immediate weeks and months. However, it will be important to simultaneously engage the local farmers, fishermen and businessmen in understanding what they need fixed in order to revive the Mannar economy once more. Its rich natural resources, whether it be in fisheries or paddy, must be tapped. Focused efforts are needed to improve the various facilities to spur better marketing of, and higher earning from, this fish and agro produce.



HOUSING DEVELOPMENT FINANCE CORPORATION BANK OF SRI LANKA

Resolution under Section 4 of Recovery of Loans by Banks (Special Provisions) Act No. 4 of 1990 as amended.

LOAN NO: 020440/007

Whereas SAMANTHI JANAKI GURUGE & BIBILEGAMA ACHARGE ROHITHA THILAKASIRI has made default in payment due on the Bond No. 183 dated 13.08.2002 alleged by F. J. GUNAWARDHANE, Notary Public of GAMPaha, in favour of Housing Development Finance Corporation Bank of Sri Lanka, duly established under the Housing Development Finance Corporation Bank (Special Provisions) Act, No. 7 of 1987 as amended by Housing Development Finance Corporation Act No. 15 of 2009 (herein after referred to as 'the Bank') and a sum of RUPEES TWO HUNDRED SEVEN THOUSAND & THREE HUNDRED TWENTY & CENTS THIRTY TWO (Rs. 217,320.32) due and owing to the Housing Development Finance Corporation Bank of Sri Lanka, as at 30.06.2008, on the said Mortgage Bond.

The Board of Directors of Housing Development Finance Corporation Bank of Sri Lanka, under the powers vested by Recovery of Loans by Banks (Special Provisions) Act No. 4 of 1990 as amended on 12th day of August 2008 that the property and premises mortgaged described in the schedule hereto and mortgaged under the said Bond, to Housing Development Finance Corporation Bank of Sri Lanka, be sold by Public Auction by W. M. WICKRAMARATHNE, Licensed Auctioneer for Recovery of monies mentioned hereunder.

1. RUPEES ONE HUNDRED SEVENTY SEVEN THOUSAND & FIVE HUNDRED SIXTY SEVEN & CENTS FIFTY FIVE (Rs. 177,565.55) being the total unpaid portion of the said loan, together with the interest in a sum of RUPEES THIRTY NINE THOUSAND & EIGHT HUNDRED THREE & CENTS SEVENTY SEVEN (Rs. 39,803.77) due as at 30.06.2008 (adding to RUPEES TWO HUNDRED SEVENTY SEVEN THOUSAND & THREE HUNDRED TWENTY & CENTS THIRTY TWO (Rs. 217,320.32)).


2. Further interest at the rate of 14.50% per annum due on the said sum of RUPEES ONE HUNDRED SEVENTY SEVEN THOUSAND & FIVE HUNDRED SIXTY SEVEN & CENTS FIFTY FIVE (Rs. 177,565.55) from 01.07.2008 up to the date of auction. (Both date inclusive).

3. All monies and costs recoverable under Section 13 of the Recovery of Loans by Banks (Special Provisions) Act No. 4 of 1990.

THE SCHEDULE ABOVE REFERRED TO

All that divided and defined allotment of land marked G in Survey Plan No. 4135 dated 13.05.2000 made by L. J. Liyanage Licensed Surveyor of the land called Bulugapala alias Godaporaagapala Kabbala situated at Woboda within the Pradeshiya Sabha Limits of Mahara in Adikari Palu of Sijunakoral in the District of Gampaha Western Province and bounded on the NORTH by L.D.B. on the EAST by Lot 23 in Plan No. 3154 (Road) on the SOUTH by Pradeshiya Sabha Road from Woboda to Embaratuwa, and on the WEST by Pradeshiya Sabha Road (Earlier land of M. K. Ruffian Appanamy), and containing in all Fourteen Decimal Six Perches (A=0, P=0.6) according to the said Plan No. 4135, together with the buildings, trees, plantations and everything else standing thereon and registered in C 62446 of the Gampaha Land Registry.

Together with the right of way and other rights over and along Lots 23 & 24 depicted in said Plan No. 3154. By Order of the Board of Directors. GENERAL MANAGER



DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

ISSUE OF TREASURY BILLS

Rs. 10,000 million Treasury Bills are being re-issued on an auction basis on 13th May, 2009

Details of this Treasury Bill re-issue are as follows:

Maturity Period	91 Days	182 Days	364 Days	Total
ISIN Number	LK909109H144	LK918209K137	LK936410E140	
Amount Offered (Rs. Mn.)	2,250	3,250	4,500	10,000

Date of Auction : 13th May, 2009.
 Date of Settlement : 15th May, 2009.
 Date of issue : 15th May, 2009.
 Closing date and time of tenders : Wednesday 13th May, 2009 at 11.00 a.m.
 Minimum amount of a bid : Rupee five million (Rs. 5,000,000/-) and multiples of Rupee one million (Rs. 1,000,000/-) there onwards.

Bids are invited from the Primary Dealers. Bids should be made only through the electronic network system.

The general public is invited to purchase Treasury Bills from the following Primary Dealers and other Secondary Market Participants

Bank of Ceylon	2541998	NatWealth Securities Ltd.	4703000
Capital Alliance Ltd.	2317777	NEB Fund Management Co. Ltd.	2564601
Entrust Securities Ltd.	2564986	People's Bank	2304494
Commercial Bank of Ceylon PLC.	2332919	Sampath Surukum Ltd.	2305942
First Capital Treasuries Ltd.	2639989	Seylan Bank Asset Management Ltd.	2456340
HNB Securities Ltd.	2206297		

C. J. P. Siriwardena
Superintendent / Registrar of Public Debt

Issuing Office
The Public Debt Department
Central Bank of Sri Lanka
30, Janadipathi Mawatha, Colombo 1.
Telephone: 2477316, Fax: 2477199
Web: www.cbl.gov.lk



DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

ISSUE OF RS. 2 BILLION TREASURY BONDS

Rs. 750 million Treasury Bonds under the series of 14.50% 2012 'E', Rs. 750 million Treasury Bonds under the series of 13.50% 2013 'A' and Rs. 500 million Treasury Bonds under the series of 11.75% 2015 'A' are being offered on an auction basis on Tuesday 12th May 2009.

Details of these Treasury Bonds are as follows:

Series	14.50% 2012 'E'	13.50% 2013 'A'	11.75% 2015 'A'
ISIN	LN80032E152	LN80032A150	LN80615A150
Amount offered	Rs. 750 million	Rs. 750 million	Rs. 500 million
Period of maturity	02 Years 09 months	03 Years 09 months	05 Years 10 months
Coupon rate	14.50% per annum	13.50% per annum	11.75% per annum
Date of issue	15th February 2009	01st February 2009	15th March 2009
Date of maturity	15th February 2012	01st February 2013	15th March 2015
Date of interest payment	15th February & 15th August	01st February & 01st August	15th March & 15th September
Redeemed rate	Rs. 3850 per Rs. 1000	Rs. 3842 per Rs. 1000	Rs. 1947 per Rs. 100
Date of auction	12th May 2009		
Closing date and time of tenders	Tuesday 12th May 2009 at 11.00 a.m.		
Date of settlement	15th May 2009		
Minimum amount of bid	Rupee one million (Rs. 1,000,000/-) and multiples of Rupee one million (Rs. 1,000,000/-) there onwards		

Bids are invited from the Primary Dealers on the basis of clean price (exclusive of accrued interest from issue date of the series to the settlement date). Bids should be made only through the electronic network system.

The general public is invited to purchase Treasury Bonds from the following Primary Dealers and other Secondary Market Participants.

Bank of Ceylon	2541998	NatWealth Securities Ltd.	4703000
Capital Alliance Ltd.	2317777	NEB Fund Management Co. Ltd.	2564601
Entrust Securities Ltd.	2564986	People's Bank	2304494
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