



# **Performance Report Year -2008**

**Department of Government Factory  
Kolonnawa.**

# PERFORMANCE REPORT OF THE DEPARTMENT OF GOVERNMENT FACTORY FOR THE YEAR 2008

## 1.0 Introduction

- 1.1 The Mission of the Department of Government is to provide mechanical engineering works, products, & services to public & private sectors, and mechanical engineering training to engineers, technicians, and tradesmen.
- 1.2 Key functions carried out by the Department of Government Factory are,
  - Operation of production and maintenance workshops.
  - Human resources development of employees and trainees.
  - Provision of manufactured products and maintenance services.
  - Procurement of raw materials, tools, and equipments.
- 1.3 Two Commercial Advance Accounts – Work Done and Stores Advance Accounts are operated to carry out these functions.
- 1.4 Main products and services currently provide by the Department of Government Factory are;
  - Manufacturing of Hospital Equipment and Furniture.
  - Manufacturing of Radial Gates, Lock Gates, and Cast Iron and Steel Water Management Gates.
  - Cast Iron and Steel products (Manhole Frames,& Covers, Water Management Equipments)
  - Wooden Furniture & other Products.
  - Traffic Barriers & Accouterments for the Department of Police.
  - Mechanical Sirens, Postal Date Stamps with Year, Month, & Date Bits.
  - Screen Printing, Digital Printing, Name Boards, Sign Writing, Engraving, Etching, and Related Services.
  - Powder Coating and Mechanical Paintings.
  - All Partitioning Works and Manufacturing of Aluminum Doors & Windows.
  - Wall Paneling (Carving)
  - Cutting, Punching, Shaping, Drilling, Welding Works, and Smith Works.
  - Heavy and Light Fabrication Works.
  - Installation of Machines and Equipments.
  - Repair and Maintenance of Machines and Equipments.
  - Motor vehicles Repairs and Services.
  - Electromechanical Works.
  - Electrical Installations and Repairs.
  - Electro Plating Services.

## 2.0 Human Resources Data – 2008

### 2.1 Approved Cadre, Vacancies, and Surplus

Designation	Relevant Service	Cadre Permanent	Filled		Vacancies	Surplus
			Permanent	Casual/ Contract		
<b>Senior Level</b>						
Factory Engineer	SLES I	13	1	-	1	-
Deputy Factory Engineer	SLES I		1	-		-
Manager - Works	SLES II/I		1	-		-
Manager (Logistics)	SLES II/I		1	-		-
Manager (Marketing)	SLES II/I		1	-		-
Deputy Managers	SLES II/ II		7	-		-
Chief Accountant	SLAcct.S I	1	-	-	1	-
Accountants	SLAcct.S II	2	2	-	-	-
<b>Senior Level Total</b>		<b>16</b>	<b>14</b>	<b>-</b>	<b>2</b>	<b>-</b>
<b>Tertiary Level</b>						
Senior Mechanical Superintendents	SLTS (Special)	5	5	-	-	-
Administrative Officer	Government management Assistant Service (Supra)	1	-	-	1	-
<b>Tertiary Level Total</b>		<b>6</b>	<b>5</b>	<b>-</b>	<b>1</b>	<b>-</b>
<b>Secondary Level</b>						
Mechanical Superintendent	SLTS	19	14	-	5	-
Draftsman	SLTS I	4	4	-	-	-
Government Management Assistant Service	Government Management Assistant Service	55	51	-	4	-
Development Officer	Associated Services	2	2	-	-	-
Progress and Development Assistant	Associated Services	2	1	-	1	-
Financial and Cost Assistant	Associated Services	3	3	-	-	-
Marketing and Supply assistant	Associated Services	2	2	-	-	-

Designation	Relevant Service	Cadre	Filled		Vacancies	Surplus
		Permanent	Permanent	Casual/ Contract		
Legal Assistant	Associated Services	1	1	-	-	-
Information Technology Assistant	Associated Services	1	-	-	1	-
Budget Assistant	Associated Services	1	1	-	-	-
Security Officer	Departmental	1	1	-	-	-
Data Entry operator	Departmental	1	-	-	1	-
Welfare Officer	Departmental	1	-	-	1	-
Time Clerk	Departmental	9	10	-	-	1
Shop Assistant/ Shop Clerk	Departmental	38	24	-	14	-
Minor Supervisor	Departmental	32	36	-	-	4
<b>Secondary Level Total</b>		<b>172</b>	<b>150</b>		<b>27</b>	<b>5</b>
<b>Primary Level</b>						
Driver	Combined Drivers' service	15	15	-	-	-
Office Employee	Office Employee Service	16	9	-	7	-
Sanitary Labour	Departmental	9	7	-	2	-
Security Guard	Departmental	12	9	-	3	-
Labour ( 1-I Class)	Departmental	191	259	-	-	8
Labour (I-II Class)	Departmental	60		-		
Labour (II Class)	Departmental	49	105	-	72	-
Labour (III Class)	Departmental	128				
<b>Primary Level Total</b>		<b>480</b>	<b>404</b>	-	<b>84</b>	<b>8</b>
<b>Grand Total</b>		<b>674</b>	<b>573</b>	-	<b>114</b>	<b>13</b>

### 3.0 Details of Expenditure Under Voted Funds – 2008

#### 3.1 Project 01 – General Administration and Establishment Services Project 02 - Mechanical Engineering Products and Repair services

Recurrent Expenditure	Project 01 (Rs.)Mn.	Project 02 (Rs.)Mn.
Personal Emoluments	16.7	18.2
Other Expenses	25.8	-
Sub Total	42.5	18.2
Capital Expenditure	18.1	26.0
Grand Total	60.7	44.2

#### 3.2 Public Officers' Advance B Account

Description	Estimated (Rs.) Mn	Actual (Rs.) Mn
Maximum limit of expenditure	24.00	23.47
Minimum Limit of receipts	11.00	17.78
Maximum limit of Debit Balance.	120.00	75.94

#### 3.3 Work Done Advance Account

The Turn Over for the year 2008 was Rs. 307,866,278.93 and the Net Profit was Rs. 87,239,393.84. So, the Net Profit was approximately 28.33% of the Turn Over.

#### 3.4 Stores Advance Account

The value of issues during the year 2008 was Rs. 110,842,637.60. According to FR 501(a), Stores Advance Accounts are run without losses and worked on profits.

## 4.0 Progress of the Action Plan

### 4.1 Progress of the work done under the Work Done Advance Account up to December 2008

	Project Description	Estimate, (Rs.)Mn	Physical progress %	Financial Progress (Rs.)Mn
1	Fabrication of Radial Gates 06Nos for the Weheragala Project of the Irrigation Department.	102.790	100%	103.030
2	Installation of Radial Gates 06Nos for the Weheragala Project of the Irrigation Department.	45.540	95%	11.130
3	Installation of Steel Gates for the Sandavakai Project of the Irrigation Department, Batticalloa.	6.250	0%	0.000
4	Installation of Gate 18 Nos. (Slides 36 nos.) for the Thondamanaru Barrage, Jaffna.	28.060	100%	12.440
5	Casting and Installation of Cast Iron Gates 02Nos. Kekiriobada Project, Weeraketiya.	6.022	30%	1.660
6	Fabrication and Installation of Pedestal Bridge for the Atomic Energy Authority.	2.979	85%	1.880
7	Fabrication of Steel Racks for the District Courts, Nugegoda.	3.169	100%	1.680
8	Erection of a fence around the Museum of the Kataragama sacred land.	4.466	100%	3.170
9	Timber work of President House, Anuradhapura (Stage 01)	33.000	100%	33.000
10	Timber work of President House, Anuradhapura (Stage 02)	14.000	97%	15.610
11	Manufacturing of furniture for Postal Museum.	5.684	98%	3.810
12	Manufacturing of Wooden Frames for the Department of National Museum. (Stage I & II).	2.364	100%	3.210
13	Roof repair of Sri Lanka Broadcasting Corporation.	7.553	100%	6.160
14	Manufacturing of Wooden items for the Ministry of Justice and Law reforms.	1.530	100%	1.650
15	Manufacturing of Wooden Racks for District Court, Horana. ( Ministry of Justice and Law Reforms)	4.826	100%	4.590
16	Fabrication of Steel Racks for the Magistrate Court, Kebithigollawa.	2.170	100%	2.080
17	Polishing, and arranging of the exhibition hall of the Ocean Museum, Galle	4.025	90%	2.010

	<b>Project Description</b>	<b>Estimate (Rs.) Mn</b>	<b>Physical Progress %</b>	<b>Financial progress (Rs.)Mn</b>
18	Planning, and upgrading of Hand Looms 50 Nos. of the Department of Hand looms.	10.900	50%	2.518
19	Manufacture of 20 nos. Trusses and laying Amano Sheets to the roof of Sugathadasa Indoor Stadium (3945 sqft)	2.760	100%	2.290
20	Casting of Brake Blocks 3000 Nos. for the Ceylon Government of Railways. ( 1 <sup>st</sup> order this year)	5.340	100%	7.468
21	Casting of Brake Blocks 3000 Nos. for the Ceylon Government of Railways. ( 2 <sup>nd</sup> order this year)	5.340	70%	5.660
22	Casting of Brake Blocks 3000 Nos. for the Ceylon Government of Railways. ( 3 <sup>rd</sup> order this year)	14.200	20%	2.800
23	Casting of Standard weights for the Department of Measurements, Units, and Standards.	3.270	70%	2.590
24	Manufacturing of Name Boards for the Postal Museum.	1.268	95%	0.810
25	Manufacturing of numerals 15,000 Nos.	8.682	80%	7.950
26	Manufacture of 200 Nos. Name Boards for the Department of Archaeology.	4.380	100%	3.488
27	Manufacture of Year Bits 8400 Nos. for the Postal Department.	2.174	100%	2.070
28	Renovation and Partitioning of the Training Institution of the Ministry of Public Administration.	3.560	100%	3.720
29	Renovation of the Ministry of Public Administration. (Stage 01 & 02))	2.450	95%	2.960
30	Partitioning of the 3 <sup>rd</sup> Floor of the National Intellectual Property Office.	3.298	100%	3.020
31	Fabrication and supply of Racks for the Hansard Store of the Parliament of Sri Lanka.	1.530	100%	1.320
32	Partitioning works for Postal Department	5.070	90%	0.100
33	Wiring of Botanical Garden, Gampaha.	2.641	45%	2.110
		<b>351.291</b>		<b>257.984</b>

## 4.2 Special Services

Provision of The Saluting Dais; VVIP & VIP Enclosures for the National Day Celebrations; Provision of Special Dais and Receiving Line at the Katunayake International Airport to welcome Heads of States and Foreign Dignitaries, and provision of Ballot Boxes for the Department of Election.

## 5.0 Training

5.1 Industrial Training was provided for Apprentices, Diploma Students, Engineering Undergraduates, and to Engineers, as scheduled below;

Category		NO	Duration
1	Apprentices from Technical Colleges.	18	06 Months
2	Engineers from Sri Lanka Engineering Service.	02	12 Months

### 5.2 Local Special Training Courses provided for internal staff.

	Category	Program	Institute	NO	Duration
1	Labour	Maintenance & Operation of Fork Lifts & Mobile Cranes.	INTRA Institute	15	01day.
2	Engineers	Non destructive Test	Atomic Energy Authority	01	10 days
3	Engineers	Steam Engineering Basic & Energy Conservation.	University of Peradeniya.	02	03 days
4	Engineers	Engineering Technology for Modern Vehicles	ICTAD	03	01 day
5	Mechanical Superintendents	Vocational Training and Industry	Institute of Incorporated Engineer	02	01 day
6	Labour	Casting Technology knowledge	I.D.B	04	10days
7	Mechanical Superintendents	Training on Safety	Department of Labour	01	10 days



## **6. 0 Constraints**

### **6.1 Financial Constraints**

Insufficient Budgetary provisions for capital expenditure for updating to modern technology and rehabilitation of existing machinery and workshop buildings badly affected productivity. Sufficient financial provisions are required to overcome this situation.

Escalation of material prices in the market badly reflected in estimated jobs of making and fixing of structural steel water management gates for the Irrigation Department and incurred losses.

### **6.2 Administrative Constraints**

Not filling the Chief Accountant post led to serious financial and cost management issues. Even though many requests were made to respective authorities, this post was not filled.

Chief Account position is still vacant. Inability to meet agreement date of supplying product, works, and service due to procurement related issues may loss the credibility of the Department of Government Factory.

## 7.0 Present Situation by 15<sup>th</sup> June 2016

1. Although, the targeted turnover for the 2015 was 610Mn, actual turnover of the Work done advance account was 383Mn and expenditure was 378.8Mn. Excess was 4.28Mn.

Turnover has gone down due to following reasons beyond our control

- a) When project completion targets are not matched with our procurement time schedules, Client supplied materials for ongoing and completed projects in 2015. Therefore turnover has come down.
  - b) Prices of our foundry and carpentry products are not competitive with market prices and therefore turnover was decreased due to lack of work orders.
  - c) Delay in approval and lack of clear instructions to project such as, Uma oya, Alikota Aru for fabrication, installation and commissioning of water Management Gates and timber repairs to Gaffor building respectively cause low turnover.
2. Present carder vacancies are shown below.

Engineers	-	02
Accountants	-	01
Administrative Officers	-	01
Management Assistants	-	11
Development Officers	-	05
Skill Labors	-	74
Un skill labors	-	15
Total		<u>108</u>

Now, it is expected to take the final decision on the scheme of recruitment for skill labors.

3. Debt due to Government Factory from government organization up to 31<sup>st</sup> December 2015 as follows.

2013	-	Rs. 23,035,442.11
2014	-	Rs. 58,185,491.68

4. Restructuring proposal of Government Factory was forwarded to cabinet approval with the recommendation of Department of Management Service in order to improve the productivity of Government Factory.
5. Arrangements have been made to cut down operating cost through organizational level financial control.