



Performance Report Year - 2014

**Department of Government Factory
Kolonnawa.**

PERFORMANCE REPORT OF THE DEPARTMENT OF GOVERNMENT FACTORY FOR THE YEAR 2014

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 Resource Data 2014

2.1 Approved Cadre, Vacancies, and Surplus

Designation	Relevant Service	Cadre	Filled		Vacancies
		Permanent	Permanent	Casual/ Contract	
Senior Level					
Factory Engineer	SLES	1	1	-	-
Deputy factory Engineer	SLES	1	1	-	-
Manager (Works)	SLES	1	1	-	-
Manager (Logistics)	SLES	1	1	-	-
Manager (Marketing)	SLES	1	1	-	-
Deputy Works Managers	SLES	11	7	-	4
Deputy Manager (Administration)	SLAS	1	1	-	-
Chief Accountant	SLAcct. S	1	1	-	-
Accountant (Payment)	SLAcct. S	2	2	-	-
Accountant (Audit)	SLAcct. S	1	-	-	1
Senior Level Total		21	16	-	5
Tertiary Level					
Senior Mechanical Superintendent	SLTS	5	5	-	-
Chief Draftsman	SLTS	1	-	-	1
Administrative Officer	SLMAS(Supra)	1	-	-	1
Tertiary Level Total		7	5	-	2

Designation	Relevant Service	Cadre	Filled		Vacancies
		Permanent	Permanent	Casual/ Contract	
Secondary Level					
Development Officer	Development Officer Service	15	10	-	5
Legal Assistant	Associated Services	1	1	-	-
Mechanical Superintendent	SLTS	18	17	-	1
Draftsman	SLTS	4	4	-	-
Management Assistants	SLMAS	50	35	-	15
Computer Graphic Designer	SLITS	1	-	-	1
Shop Assistant/ Clerk	Departmental	26	25	-	1
Time Clerk	Departmental	9	7	-	2
Welfare Officer	Departmental	1	-	-	1
Minor Supervisor	Departmental	31	26	-	5
Security Officer	Departmental	1	1	-	-
Secondary Level Total		157	126	-	31
Primary Level					
Driver	Combined Drivers Service	15	15	-	-
Office Employees	Office Employee Service	9	8	-	1
Sanitary Labor	Departmental	6	6	-	-
Skilled Tradesman (I-II Class)	Departmental	206	140	-	66
Skilled Tradesman (I-II Class)	Departmental	118	60		5
Semi Skilled Tradesman (II Class)	Departmental		53		
Non Skilled Tradesman	Departmental	80	69		11
Primary Level		434	351		83
Grand Total		619	498		121

3.0 Details of Expenditure for the Financial Year 2014

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

Recurrent Expenditure	Funds (Rs.) Mn	Project 01 (Rs.) Mn	Funds (Rs.) Mn	Project 01 (Rs.) Mn
Personnel Emoluments	24.100	22.870	28.000	27.578
Other Expenses	11.175	10.173	-	-
Sub Total	35.275	33.043		27.578
Capital Expenditure	5.400	4.853	139.950	120.897
Grand Total	40.675	37.896	167.950	148.475

3.2 Public Officers' Advance Account B

Description	Estimated (Rs.) Mn	Actual (Rs.) Mn
Maximum Limit of expenditure	22.00	21.98
Minimum Limit of receipts	18.00	19.47
Maximum Limit of Debit Balance	120.00	85.68

3.3 Work Done Advance Account

The Turn Over for the year 2014 was Rs.405, 638,669.52, and the Net Profit was Rs. 5,103,928.56. So, the Net profit was 1.3% of the Turn Over.

3.4 Stores Advance Account

The value of issues during the year 2013 was Rs. 188,954,304.06. 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 Completed and Pending, Works and Projects- 2014 year

Progress From 2014.01.01 to 2014.12.31

	Project	Yearly Target		Progress *		
		Physical	Financial (Rs Mn)	Physical %	Financial (Rs Mn)	%
1	Fabrication and Installation of Radial Gates 08Nos for the Daduru OyaProject.	100%	115.00	100%	120.10	104.43%
2	Fabrication and Installation of Radial Gates 08 nos. for the Attikkawa project.	100%	78.00	100%	53.90	69.10%
3	Independent Day Celebration and other State Functions.	100%	30.00	100%	31.42	104.73%
4	Fabrication and Installation of Sluice Gates 02Nos. for the Nachchaduwa Project.	100%	5.00	95%	6.16	123.20%
5	Construction of Roof Covering for the Awkana Buddha Statue.	100%	16.00	65%	11.50	71.88%
6	Construction of Roof Covering for the Maligawila Buddha Statue.	100%	18.00	80%	12.30	68.33%
7	Construction of Plastic Recycling Plant for the PoliptoLanka Ltd.	30%	3.00	100%	2.35	78.33%
8	Fabrication and Installation of Radial Gates 03Nos. for the Per Aru Project.	50%	8.00	18%	2.33	29.13%
9	Fabrication and Installation of Radial Gates 03Nos. for the Ali kota Ara Project.	100%	20.00	10%	4.10	20.50%
10	Manufacture and supply of Dengu beds 168Nos.	100%	13.50	98%	11.50	85.19%
11	Work Done by the Electro mechanical and Maintenance Unit.	100%	38.00	100%	42.85	112.76%
12	Work Done by the Heavy Fabrication Unit.	100%	25.00	99%	24.80	99.20%
13	Work Done by the Carpentry Unit	100%	50.00	95%	47.60	95.20%
14	Work Done by the Light Fabrication Unit.	100%	61.50	51%	37.20	60.49%
15	Work Done by the Foundry Unit.	100%	20.00	52%	11.25	56.25%
16	Work Done by Light Engineering Unit.	100%	30.00	79%	24.93	83.10
22	Work Done by the Vehicle Repair Unit.	100%	21.00	93%	19.62	93.43%
	Total		552.00		463.91	

4.2 Special Services

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

5.0 Training

5.1 Training for Apprentices, Diploma Students, Engineering Undergraduates, and

Description		NO	Duration
1	National Diploma Apprentices.	21	06 Months.
2	Engineering Undergraduates.	03	06 Months.
3	Practical training for trainees of Other institutions coming under the Vocational Training Authority.	32	06 Months.

Engineers were given by the Department of Government Factory as follows.

5.2 Local Training Provided for the Internal Staff

Service	Training Program	Institute	NO	Duration	
1	SLES	Non Destructive Testing – National Training and Qualification.	Atomic Energy Authority	01	07 days
2	SLES	Non Destructive Testing – Magnetic Particle Test – 1 st Step.	Atomic Energy Authority.	01	02 days.
3	SLES	Use of Aluminum for Construction.	ICTAD	01	01 day
4	SLES	Liquid Penetrate Testing.	Atomic Energy Authority.	01	01 day
5	Administrative Service	Management Procedures and Human Resources Management.	ICTAD	01	01 day
6	SLTS	Non Destructive Testing – National Training and Qualification.	Atomic Energy Authority.	02	07 days
7	SLTS	Quantity Surveying Course.	ICTAD	01	06 Months.
8	SLTS	Contract Payments, File Maintenance, and Completion of Contracts.	SDFL	01	01 day
9	SLTS	Sound Management in Studios	SLBC	01	02 Months
10	Legal Assistant	Certificate Course in English Language	SLIDA	01	01 day/ wk. 06 Months)
11	Draftsman	Certificate Course in Quantity Surveying.	CHPB Pelawaththa.	01	01 day/ wk. 06 Months)
12	Management Assistant.	Certificate Course in Stores Management.	ICTAD	03	10 days.
13	Management	Basic Course in Procurement	PRAGE Institute.	03	01 day

	Assistant	Procedure.			
14	Management Assistants.	Maintenance of Personnel Files.	SDFL	06	02 days.
15	Management Assistant.	Institutional Rules and Regulations.	SLIDA	02	03 days.
16	Management Assistants.	Higher Certificate Course in Stores Management.	ICTAD	01	08 days.
17	Management Assistant.	Letter Writing.	NIBM	01	02 days.
18	Management Assistant.	Annual Verification Boards.	PRAGE Institute.	05	01 day.
19	Management Assistant.	Certificate Course in English Language.	SLIDA	01	
20	Mason	Concrete Technology.	ICTAD	02	01 day.
21	Plumber.	Maintenance of Water Pumps and Air Compressors.	ICTAD	01	05 days.
22	Labour/ Mason/ Painter	Modern Painting Technology.	ICTAD	03	01 day.
23	Office Assistant Service.	Office Assistant Duties.	SDFL	01	02 days.
24	Office Assistant Service.	Leave, Leave Reports, and Filing of Personnel Files.	SDFL	02	02 days.
25	Fitter	Fitting	Mahapola Institute, Sri Lanka Ports Authority.	09	26 days.
26	Electrician	Electrical Wiring.	Mahapola Institute, Sri Lanka Ports Authority.	04	26 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 vacancies of Management Assistants led to serious administration and management issues. Even though many requests were made to respective authorities, these posts were not filled.

Delay in Procurement process led to delay in completing works and services as scheduled. This situation may result in losing the credibility of the clients, and affects the Department of Government Factory in prevailing competitive market environment.

7.0 Present Situation by 15th 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	-	<u>15</u>
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 31st 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.