



SRI LANKA NAVY
ANNUAL PERFORMANCE REPORT - 2003

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SECTION 01

POLICY

1. The role of the Sri Lanka Navy as a specialized arm of the Defence Services is the defence of the country against any threat to its sovereignty and territorial integrity, arising, particularly from beyond its territorial limits. The area under Naval surveillance by definition is the sea board, the territorial waters, the Contiguous Zone and the Exclusive Economic Zone, over each of which the Navy has specific duties and functions to perform, both in times of conflicts and in times of peace.
2. A secondary role of the Navy is land operation conducted with other Defence Services for the preservation of law and order, especially in terms of internal strife.
3. A tertiary function is assisting administrative functions of Government Institutions, particularly those involved in maritime activity and participation in development programmes.
4. During the period under review, most of the Naval operations were concentrated in the establishment and policing of the Surveillance Zone, support and services for the sea operations, and in carrying out the tasks entrusted under Operational Headquarters, Ministry of Defence. All other functions played a minor role in Naval activities during this year.

SECTION 02

COMMAND ORGANIZATION AND ADMINISTRATION/ BOARD OF MANAGEMENT

1. Board of Management of Sri Lanka Navy.

01	Commander of the Navy	Vice Admiral DWK Sandagiri (2003.01.01 - 2003 .12.31)
02	Chief of Staff	Rear Admiral DSM Wijewickrama (2003.01.01 - 2003 .12.31)
03	Director Naval Health Services	Rear Admiral NG Atulugama (2003.01.01 – 2003.12.31)
04	Director General Operations	Rear Admiral SP Weerasekara (2003.01.03 – 2003.12.31)
05	Director Naval Engineering	Rear Admiral DCI Kariyawasam (2003.01.01 – 2003.12.31)
06	Director Naval Supply & Secretariat	Rear Admiral JHM Abeykoonbandara (2003.01.01 – 2003.12.31)
07	Director Naval Electrical & Electronic	Rear Admiral AV Abeysena (2003.01.01 – 2003.12.31)
08	Director Naval Administration	Commodore DWAS Dissanayake (2003.02.01 – 2003.04.30) Commodore TSG Samarasinghe (2003.05.01 – 2003.09.03) Commodore D Samarawickrama (2003.09.04 – 2003.12.31)

09	Director Naval Project & Plans	Commodore D Samarawickrama (2003.01.01 – 2003.05.01) Commodore TSG Samarasinghe (2003.05.02 – 2003.12.31)
10	Director Naval Welfare	Commodore BAJG Peiris (2003.01.02 – 2003.02.01)
11	Director Naval Personnel	Commodore PLN Obesinghe (2003.01.24 – 2003.12.31)
12	Director Naval Training	Commodore TMJ Mendis (2003.01.24 – 2003.12.31)
13	Secretary to Commander of the Navy	Captain M Premathilake (2003.01.01 – 2003.12.31)
14	Director Finance	Mr. A Hettiarachchi (2003.01.01 – 2003.12.31)

2. **Area Organization.** For the effective Command and Administrative control of the waters of Sri Lanka and the littoral districts are divided into five Naval areas.

- a. Western Naval Area - Commanded by the Commander Western Naval Area
- b. Eastern Naval Area - Commanded by the Commander Eastern Naval Area
- c. Northern Naval Area - Commanded by the Commander Northern Naval Area
- d. Southern Naval Area - Commanded by the Commander Southern Naval Area
- e. North Central Naval Area - Commanded by the Commander North Central Naval Area

3. **Establishments.** Shore Establishments of the Sri Lanka Navy are as follows:-

- a. Western Naval Area
 - Naval Headquarters
 - SLNS Gemunu
 - SLNS Parakrama
 - SLNS Rangalla
 - SLNS Vijaya
 - SLNS Lanka

- | | | |
|----|--------------------------|---|
| b. | Eastern Naval Area | Naval & Maritime Academy
SLNS Tissa
SLN Dockyard
SLNS Vijayaba
SLNS Walagamba |
| c. | Northern Naval Area | SLNS Elara
SLNS Uththara
SLNS Agbo
SLNS Kanchadewa
SLNS Welusumana
SLNS Gotaimbara |
| d. | Southern Naval Area | Naval Recruit Training Center – Boossa
SLNS Dakshina
SLNS Ruhuna |
| e. | North Central Naval Area | Naval Recruit Training Center – Poonewa
SLNS Gajaba
SLNS Thammanna
SLNS Pandukabaya |

4. **Number of Ships/ Craft in Sri Lanka Navy**

a.	Fast Missile Vessel (PGFG)	-	02
b.	Offshore Patrol Vessel (OPV)	-	02
c.	Sub Chaser (PCF)	-	01
d.	Landing Ship Tanker (LSM)	-	01
e.	Fast Gun Boat ((PCF)	-	11
f.	Fast Attack Craft (PCF)	-	48
g.	Fast Passenger Craft (LCP)	-	03
h.	Landing Craft Medium (LCM)	-	02
i.	Landing Craft Utility (LCU)	-	02
j.	Landing Craft Air Cushion (LCAC)	-	1
k.	Coastal Patrol Craft (PC)	-	12
l.	Inshore Patrol Craft (PB)	-	43
m.	Trawlers	-	11
n.	Wallam	-	07
o.	Tug/ Tannac (Loaned/ belonging to SLPA)-		02
p.	FGD	-	386

SECTION 03

BUDGET ESTIMATES YEAR 2003

Expenditure Head No	-	752
Expenditure Head Name (Dept.)	-	Sri Lanka Navy
Programme No.	-	03
Programme Description	-	National Security and Defence
No. of Projects	-	07
Project Description	-	

- Project 1 : General Administration and Establishment Services
- Project 2 : Training
- Project3 : Maritime Operations
- Project 4 : Land Operation
- Project 5 : Logistics, Technical and other Support Services
- Project 6 : Medical and welfare Service
- Project7 : Volunteer Force

TOTAL EXPENDITURE DETAILS

1. Total allocation for Sri Lanka Navy for the year 2003 is Rs. 9,624,410.00/= and a sum of Rs. 8,394,323,944/= had been expended during the year 2003.

2. In addition to the total provision of Rs. 9,624,410/= a sum of Rs. 5,106,804,897/= had been provided by expenditure vote of the treasury.

<u>DESCRIPTION</u>	<u>NET PROVISION</u>	<u>EXPENDITURE</u>	<u>BALANCE</u>
Recurrent	6,539,410,000.00	6,413,183,636.00	126,226,364.00
Capital	3,085,000,000.00	1,981,140,308.00	1,103,859,692.00
Total	9,624,410,000.00	8,394,323,944.00	1,230,086,056.00

Note 1* In addition to the total provision of Rs.9624.41 Million a sum of Rs. 5106.804 Million had been provided by vote of other department and a sum of Rs. 4497.076 Million spent by Sri Lanka Navy as indicated below.

	<u>New Vote</u>	<u>New Allocation</u>	<u>Expenditure</u>
801-7-1-1001 (ii)		125,000,000.00	125,000,000.00
801-7-1-1905 (ii) Cargo ship		100,000,000.00	100,000,000.00
801-7-1-1905 (i) Passenger Ferry		68,000,000.00	68,000,000.00
801-7-1-1905 (i) I Stationary		15,000,000.00	15,000,000.00
801-7-1-1905 (i) II Uniforms		70,000,000.00	70,000,000.00
801-7-1-1905 (i) III Vehicle Repair		8,000,000.00	8,000,000.00
801-7-1-1905 (i) IV Telecommunication		50,000,000.00	50,000,000.00
801-7-1-1905 (i) V Electricity & Water		75,000,000.00	65,272,090.09
801-7-1-1905 (i) VI foreign Traveling Expenses		80,000,000.00	80,000,000.00
801-7-1-1905 (ii) Fuel		100,000,000.00	100,000,000.00
801-7-1-1905 (ii) Diets		100,000,000.00	100,000,000.00
801-7-1-3001		2,077,682,612.00	2,077,682,612.00
801-7-1-3002		2,238,122,285.00	2,238,122,285.00
Total		<u>5,106,804,897.00</u>	<u>5,097,076,987.09</u>

SECTION 04

PERSONAL EMOLUMENT

Total net allocation of Personal Emolument year 2003 is Rs. 3,611,470,000.00 However the said amount was insufficient and General Treasury made available extra financial provisions Rs. 125 millions vide vote No 801-7-1001.

Expenditure for Personal Emoluments.

Vote Particulars	Net Provision	Expenditure	Balance
752-3-1	86,150,000.00	86,137,791.00	12,209.00
752-3-2	300,000,000.00	300,000,000.00	-
752-3-3	620,300,000.00	620,300,000.00	-
752-3-4	1,313,141,000.00	1,313,139,899.00	1,101.00
752-3-5	1,009,551,000.00	1,009,549,960.00	1,040.00
752-3-6	48,328,000.00	48,152,365.00	175,635.00
752-3-7	314,000,000.00	314,000,000.00	-
Total	3,691,470,000.00	3,691,280,015.00	189,985.00

Note: 125 Million rupees expended under 801-7-1-1001 in addition to the above amount.

SECTION 05
OTHER RECURRENT

1. Total allocation of Other Recurrent (other than Personal Emoluments) is Rs 2,847.9 million and a sum of Rs. 2,721.9 had been expended during the year 2003. It is also noted all outstanding payment carried forward to year 2004.

a. **Other Recurrent Expenditure (Except personal Emolument) – Object Code 1101-1905.**

Vote Particulars	Net Provision	Expenditure	Balance
752-3-1	57,155,000.00	54,264,314.00	2,890,686.00
752-3-2	234,250,000.00	227,815,605.00	6,434,395.00
752-3-3	1,560,740,000.00	1,508,166,594.00	52,573,406.00
752-3-4	412,350,000.00	382,473,887.00	29,876,113.00
752-3-5	429,145,000.00	413,423,059.00	15,721,941.00
752-3-6	103,100,000.00	89,690,106.00	13,409,894.00
752-3-7	51,200,000.00	46,070,056.00	5,129,944.00
Total	2,847,940,000.00	2,721,903,621.00	126,036,379.00

b. **Expenditure for Foreign Travels & Training**

Vote Particular	Net provision	Expenditure
752-3-1	4,800,000.00	4,800,000.00
752-3-2	90,000,000.00	90,000,000.00
752-3-3	200,000.00	200,000.00
Total	95,000,000.00	95,000,000.00

Note: Rs. 80 million received from General Treasury vide 801-7-1-1905 (2) by way of freezing capital provisions of Sri Lanka Navy.

c. **Fuel and lubricant (object code 1202)** Total allocation fuel & lubricant for the year 2003 was Rs 816 million however the said amount was insufficient and general treasury made available extra financial provision Rs. 100 million vide vote 801-7-1-1905 by way of freezing capital allocation of Sri Lanka Navy.

(1) **Expenditure for fuel and Lubricant**

Vote Particular	Net provision	Expenditure
752-3-1	4,000,000.00	3,898,870.00
752-3-2	5,000,000.00	4,929,786.00
752-3-3	755,000,000.00	755,000,000.00
752-3-4	45,000,000.00	44,686,873.00
752-3-5	4,000,000.00	3,876,188.00
752-3-6	1,500,000.00	1,444,615.00
752-3-7	1,500,000.00	1,467,396.00
Total	816,000,000.00	815,303,728.00

d. **Diets (Objects Code 1204)** Total allocation diets for the year 2003 was Rs. 833 million however the said amount was insufficient and General Treasury made available extra financial provisions Rs. 100 million vide vote 801-7-1-1905 by way of freezing capital allocation of Sri Lanka Navy.

Vote Particular	Net provision	Expenditure
752-3-1	2,000,000.00	1,999,220.00
752-3-2	65,000,000.00	64,900,221.00
752-3-3	336,000,000.00	333,638,261.00
752-3-4	125,000,000.00	123,770,239.00
752-3-5	296,000,000.00	295,999,516.00
752-3-6	16,000,000.00	15,791,058.00
752-3-7	33,000,000.00	32,806,112.00
Total	873,000,000.00	868,904,627.00

e. Uniform

(1) **Procurement of Uniform items**

(a) Total allocation made for purchase of uniform items, stitching of kit items through the naval sewing centre and outside contractors and payment of civil, winter clothing allowances amounted to Rs. 270,000,000/=

(b) Details of the purchases made/ expenditure incurred during the year are indicated below.

(i) Purchase of uniform items	Rs.	155,572,420.75
(ii) Stitching of kit items through the Naval Sewing centre and outside contractor	Rs.	19,073,535.51
(iii) Payment of winter clothing allowance	Rs.	799,137.56
(iv) Payment of civil clothing allowance	Rs.	925,500.00

(c) With the rapid increase of complement due enlistment of officers and sailors with short notice, difficulties were experienced in kitting up of naval personal at initial stage. As a result Naval Sewing centre also unable to cope-up with the work load during the early part of the year due shortage of seams- tresses. This is over come with the enlistment of more seamstresses to Naval sewing machines held and number of seamstresses employed at the beginning and the end of the year under review as follows.

	<u>NSC (W)</u>		<u>NSC (E)</u>	
	01/01/03	31/12/03	01/01/03	31/12/03
(i) No of Seamstress	59	59	66	65
(ii) No of Machines	60	60	85	85

d. Computerization of kit issue system has been completed and being used in all areas at present. Separate computer cell has been establishment at SSO (C)'s office. Kit system is functioning satisfactorily in all areas and have been provided with new training program for AVCO's and staff have been conducted.

e. It is observed that the prices of most of uniform items have gone down when compared with the prices of year 2001/2002 and 2003 this is mainly due to the increases of competition between the suppliers and the fair opportunity given to all registered suppliers with SLN to participate for tenders.

f. In addition to total allocation an additional funds Rs. 70 million provided by the treasury under vote 801-7-1-1905 (13) by way of freezing capital allocation of Sri Lanka Navy.

(2) Expenditure for uniform

Vote Particular	Net provision	Expenditure
752-3-1	500,000.00	77,478.00
752-3-2	30,000,000.00	28,532,723.00
752-3-3	65,000,000.00	51,654,530.00
752-3-4	37,000,000.00	24,837,404.00
752-3-5	37,000,000.00	36,992,691.00
752-3-6	1,500,000.00	1,324,682.00
752-3-7	4,000,000.00	3,862,016.00
Total	175,000,000.00	147,281,524.00

f. **Telecommunication (Object Code 1402)** Total allocation for Telecommunication for year 2003 Rs 55 million and additional funds Rs. 50 million provided by the treasury under vote 801-7-1-1905 by way of freezing capital allocation of Sri Lanka Navy.

(1) Expenditure for telecommunication

Vote Particular	Net provision	Expenditure
752-3-1	10,000,000.00	9,823,300.70
752-3-2	4,000,000.00	3,956,772.40
752-3-3	15,000,000.00	13,506,920.29
752-3-4	9,000,000.00	8,776,352.91
752-3-5	14,500,000.00	11,289,614.10
752-3-6	1,500,000.00	1,492,968.75
752-3-7	1,000,000.00	824,160.00
Total	55,000,000.00	49,570,089.15

g. **Electricity and Water (Object Code 1404)** Total allocation for electricity and water for year 2003 was Rs 90 million. However said amount was insufficient and general treasury made available extra financial provision Rs 75 m vide vote No 801 – 7 – 1-1905 by way of freezing capital allocation of Sri Lanka Navy.

(1) **Expenditure for electricity and water:**

Vote Particular	Net Provision	Expenditure
752-3-1	25,000,000.00	24,556,889.00
752-3-2	4,000,000.00	3,998,177.00
752-3-3	20,000,000.00	19,434,075.00
752-3-4	25,000,000.00	24,944,183.00
752,3-5	13,000,000.00	12,847,284.00
752-3-6	1,500,000.00	1,303,004.00
752-3-7	1,500,000.00	1,224,515.00
Total	90,000,000.00	88,308,127.00

SECTION 06

CAPITAL EXPENDITURE

1. Building and Construction Work In Year – 2003 (Object Code 2001-2104)

(a) For the year 2003 total amount Rs. 180 M was allocated for building construction work and other related works. Allocated funds were sufficient to award the projects earmarked during the year 2003

(b) However, end of the year 2003 Rs. 37.05 M was served. It was due to termination of following project indicated in (1) (a) and few other projects were not completed as per the expected time period as indicated in (2) (b).

(1) Terminated project

a. Construction of two storied building for model galley wardroom and classroom at NMA (Expe) Rs. 3,338,919.05

(2) Uncompleted Project

(a) Construction of radio equipment room and antenna mast at piduruthalagala – M/S State Engineering Corporation Rs. 1,850,000.00

(b) Renovation of No.03 Slipway under water rail path at SLNS Dockyard TCO – M/D Dockyard General Engineering Service (Pvt) Ltd Rs. 12,444.873.84

(c) Upgrading of power distribution system at Naval Dockyard TCO Rs. 13,756,783.61

c. Under mentioned projects were started during the year 2003 throughout side contractors .

(1) **New Project Started – In Year 2003**

S.N	PROJECT	AMOUNT	DATE OF AWARDING
I	Construction of Naval Hospital complex at Naval Dockyard TCO	10,033,843.06	07.04.03
II	Construction of Antenna mast at SLNS Kareinagaer	3,788,015.00	01.04.03
III	Construction of fence storm water drains and repairs to damaged wall of maturation pond at SLNS Gamunu	975,227.00	26.06.03
IV	Construction of two stories flat type M/Q for S/S at Naval Dockyard TCO	7,495,735.20	04.08.03

V	Construction Supervision of sewage disposal system at NRTC Poonewa	6,300,000.00	18.08.03
VI	Construction of flat type M/Q officers at N/D TCO stage iii	5,815,120.85	23.08.03
VII	Construction of pier at Nichol cove Naval base TCO	83,920,947.00	01.09.03
VIII	Construction of supervision of drinking water supply system at SLNS Pandukabaya	3,870,000.00	11.09.03
IX	Construction of accommodation building for S/S at SLNS Gamunu Welisara	11,172,890.15	07.10.03
X	Construction of extension to transits stores at SLNS Gamunu	9,217,898.52	27.10.03
XI	Construction of to storied building for model galley wardroom and class room at NMA	3,362,878.50	27.11.03
XII	Construction of Renovation three storied J/S accommodation building at SLNS Vijaya	7,768,896.00	27.11.03
XIII	Construction of building for static X-ray plant at SLNS Pandukabaya Poonewa	2,837,932.61	01.12.03
XIV	Renovation of No 3 slipway under water rail path at SLN Dockyard TCO	12,444,873.34	18.12.03

(2) **Details of Expenditure (Rehabilitation and Improvement/ Acquisition of Fixed Assets)**

The total allocation for capital expenditure is Rs. 905,000,000.00 for year 2003.

<u>Vote</u>	<u>Natural of</u>	<u>Net Provision</u>	<u>Expenditure</u>
<u>Particulars</u>	<u>Expenditure</u>		
1. Rehabilitation and Improvement of capital assets			
752-3-1 2001	Building & Structure	5,000,000.00	2,814,958.00
752-3-5 2001	Building & Structure	50,000,000.00	39,346,846.00
752-3-7 2001	Building & Structure	5,000,000.00	114,653.00
752-3-5 2002	Plant machinery and equipment	25,000,000.00	4,518,065.00
752,3-5 2003	Vehicle	20,000,000.00	12,398,364.00
752-3-3 2004	Other Capital Assets	800,000,000.00	762,500,805.00
Total		<u>905,000,000.00</u>	<u>821,693,691.00</u>

2. Acquisition of fixed assets			
752-3-5 2101	Vehicle	103,000,000.00	30,259,783.00
752-3-5 2102	Furniture and Office Equipment	35,500,000.00	35,328,691.00
752-3-7 2102	Furniture and Office Equipment	1,500,000.00	-
752-3-3 2103	Machinery	650,000,000.00	486,241,262.00
752-3-5 2103	Machinery	79,000,000.00	13,547,742.00
752-3-6 2103	Machinery	20,000,000.00	2,376,471.00
752-3-5 2104	Building and Structure	116,500,000.00	116,421,234.00
752-3-7 2104	Building and Structure	3,500,000.00	1,675,933.00
752-3-5 2105	Land and Improvement	5,000,000.00	5,250.00
752-3-3 2106	Others	1,013,800,000.00	322,255,233.00
Total		2,027,800,000.00	1,008,111,599.00

Note: In addition to above allocation Rs. 4,315,804,897/= has been provided by General Treasury under the vote 801-7-1-3001, 801-7-1-3002.

SECTION 07

ADVANCE ACCOUNT

Following advance accounts handle by Sri Lanka Navy.

- a. 75201 Public officers advance account.
- b. 75202 Stores explosive items advance account.

SRI LANKA NAVY

75201 PUBLIC OFFICERS ADVANCE ACCOUNTS DETAILS 2003

<u>Description</u>	<u>Estimate</u>	<u>Actual</u>
Maximum limit of expenditure (Debits)	170,000,000.00	170,032,479.13
Minimum limits of receipt (Credits)	95,000,000.00	162,580,249.82
Maximum limits of Debit Balance	525,000,000.00	404,499,783.33

SRI LANKA NAVY

75202 STORES EXPLOSIVE ITEMS ADVANCE ACCOUNT DETAILS 2003

<u>Description</u>	<u>Estimate</u>	<u>Actual</u>
Maximum limit of expenditure (Debits)	170,000,000.00	141,279,080.00
Minimum limits of receipt (Credits)	140,000,000.00	147,907,790.00
Maximum limits of Debit Balance	54,500,000.00	111,911,077.00