

'MICE UP 2021, Redefining Sri Lanka's MICE Tourism'

Sri Lanka Convention Bureau (SLCB) together with the Sri Lanka Association of Professional Conference Exhibition and Event Organisers (SLAPCEO), held a virtual training programme on the 18 October 2021 under the theme "MICE UP, Redefining Sri Lanka's MICE Tourism" with the participation of regional hoteliers in Sri Lanka.

As per its mandate, SLCB has been organising training programmes for hoteliers in the past in different regions and this year considering the pandemic situation in the country, the programme was converted to a virtual training programme, combining all regions.

The programme highlighted important aspects pertaining to handling events post-Covid-19 pandemic. The conference focused on issues that have been faced by the travel, tourism, and the event organising sector, and on how to effectively organise a successful event in keeping with health guidelines.



Hilton Hotels Cluster Commercial Director Christopher Zappia



Cinnamon Hotels General Manager Kamal Munasinghe



SLCB General Manager Krishantha Fernando



Aitken Spence Travels Ltd. General Manager Sajith Wijenayake

The event was conducted by reputed personalities from the hospitality and event industry, including Cinnamon

Hotels General Manager Kamal Munasinghe, who emphasised the importance of taking care of business

delegates and handling attendees at conferences and events. SLAPCEO President Imran Hassan, reiterated

the importance of hybrid, physical, and virtual events and conferences. Aitken Spence Travels Ltd. General

Manager Sajith Wijenayake spoke on the art of creating incentive travel. The distinguished panel of experienced and versatile speakers also included Hilton Hotels Cluster Commercial Director Christopher Zappia who highlighted on what hotels should do to attract more business events to Sri Lanka. SLCB General Manager Krishantha Fernando also addressed the participants.

The online session was attended by more than 100 participants from around the country who showed great enthusiasm to restart MICE (meetings, incentives, conferencing, exhibitions) operations with a positive attitude.

A digital certificate of participation was issued to all participants.



Kotmale yoghurt with eco-friendly paper spoon

Kotmale introduces paper spoons with their yoghurt range

Kotmale, the private sector collector of fresh milk in Sri Lanka, has introduced a paper spoon to their yoghurt range replacing the plastic spoon, which is a first in the dairy industry. These spoons are made of biodegradable material, significantly reducing the amount of plastic usage in the manufacturing process and taking Kotmale a step further in their endeavours to safeguard the environment.

Waste plastic has become one of the most pressing environmental issues in Sri Lanka as businesses and factories have increased the production and usage of plastic over

the last few years. From a user's point of view, plastics are durable, light, and versatile. The down side however is that they take up to over 400 years to completely decompose. This impacts the environment significantly if actions are not taken to reduce usage and manage waste plastic removal, in a more efficient and effective manner. Recognising this situation and falling in line with the Cargills Group's commitment in terms of sustainability, Kotmale took up a challenge to redirect their operations and value chain by integrating sustainability to their manufacturing process through the

introduction of new plastic free initiatives. This initiative of replacing the plastic spoon with paper acts as a catalyst in reducing plastic pollution.

Kotmale fresh milk comes in different options packaged in environmentally friendly tetra packs which are recyclable, meeting the needs of a range of customers across different demographic profiles. Kotmale cheese wedges where 50% out of the full production volume are packaged in paper tubs. At their state-of-the-art dairy processing facility, expert teams supervise the manufacture of dairy products ranging

from UHT milk, pasteurised milk, yoghurt, cheese, butter, curd, and dairy ice cream. The processing facility in Banduragoda is the largest integrated dairy facility in Sri Lanka and has been approved for international-grade manufacturing. This manufacturing facility has also introduced key initiatives namely installation of solar panels to generate clean energy, rain water harvesting, reusing treated wastewater for factory gardening, and waste recycling, integrating sustainability initiatives within their business operations.

Kotmale is stepping up their actions towards introducing new, innovative, and sustainable features to their product line. They have also embarked on the journey towards achieving net zero in the future, by obtaining the carbon footprint assessment certification, making Cargills one of the first leading food manufacturing companies in Sri Lanka to obtain the same.

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Country's...

The developers do not expect to run into any significant difficulty in selling the remaining 150-plus apartments as they have received numerous positive queries from interested parties following the completion of the project. While admitting that sales have been repressed due to Covid-19, the developers are hopeful that due to the mass vaccination programme, demand will recover in the immediate future. Moreover, over the past few years, only a limited number of residential projects have been launched, and consequently, the developers believe that the inventory of luxury apartments available in the market has been exhausted, and in turn, there is expected to be a high demand for the Altair apartments.

The developers further commended the Government, the Urban Development Authority, and Special Authorised Officer Nimal Perera for the support provided during the execution of the project. They also commended the ease of doing business in Sri Lanka with its investor-friendly laws and expressed that they had a positive experience in Sri Lanka.

The Altair project was carried out by Indocean Developers (Pvt.) Ltd. which is the step-down subsidiary of South City Projects Kolkata Ltd. South City Projects, with its 150 years of combined excellence and development experience, is one of the best residential and commercial real estate developers in the East Indian real estate industry and is one of the top 10 developer consortiums in India.

Commenting on the highly publicised dispute between shareholders of the Altair project, Mohta claimed that South City Projects Kolkata is the sole shareholder of the project and that the previous minority shareholder, Jaideep Halwasiya, was bought out and all litigations between parties have been resolved.

However, the action instituted against PwC Sri Lanka is still pending in court, where PwC is accused of providing an audit report which was described as a "concerted act of conspiracy" to create an environment to facilitate the said "fraudulent and hostile" takeover of Indocean Developers by the former minority shareholders of the project.

Mohta noted: "PwC Sri Lanka acted unethically by conducting an audit without proper investigation which was one sided like a tailor-made report. It wasn't expected from a world-renowned audit firm like PwC. So, we had to file a case against them and it is still pending."

Indian High Commissioner Gopal Baglay and State Minister of Urban Development, Waste Disposal, and Community Cleanliness Dr. Nalaka

Godahewa and Special Authorised Officer Nimal Perera also participated in the opening ceremony.

This iconic building was designed by Moshe Safdie, the famous architect based in Boston, USA, who was the creator of Marina Bay Sands, and comprises 404 luxurious apartments. The building will also contain a four-level car park, an arcade, and the tallest pool in Sri Lanka which will be located on its 63rd floor.

This unique building, with its sloping tower design, is expected to redefine the skyline of Colombo.

Users...

"App shows the payment was deducted but no SMS alert was received. The seller said he did not receive the payment and I ended up paying in cash. I am not sure about trying again," the user added.

"Same thing happened to me some time back. Never tried again afterward," another user Tweeted.

When contacted by *The Morning Business*, the Central Bank of Sri Lanka (CBSL), which is at the forefront of getting more merchants to use the LankaQR payment method to facilitate a cashless economy, advised users to contact the relevant bank or non-banking financial entities on the face of a transaction issue.

A spokesperson stated: "If your credit card is not functioning, you have to call the relevant bank. In the same way, if such issues arise, contacting the relevant bank or the financial institution would help resolve it."

The CBSL officer, however, added that no such complaint has been made by anyone thus far regarding the LankaQR app, as per their knowledge.

He also pointed out that a stable internet connection is an obvious necessity on the part of the app user as the client who is involved in the transaction. If a network connection issue persists, the app user needs to inform the particular internet service provider on the connection issue the user is facing.

He said that therefore, such circumstances cannot be called "app crashing" since there is no direct involvement of the bank or the financial institution.

LankaQR was introduced by the CBSL along with LankaClear (Pvt.) Ltd. and licensed financial institutions to introduce a "cashless economy" while targeting small and medium enterprises (SMEs). It is a low-cost digital payment option and the app users are not charged with any fee in transactions made.

LankaQR-compliant QR codes are issued by the Bank of Ceylon, Cargills Bank Ltd., Commercial Bank of Ceylon PLC, DFCC

Bank PLC, Hatton National Bank PLC, National Development Bank PLC, National Savings Bank, Nations Trust Bank PLC, People's Bank, Sampath Bank PLC, Sanasa Development Bank PLC, LB Finance PLC, LOLC Finance PLC, People's Leasing and Finance PLC, Dialog Axiata PLC, and Mobitel (Pvt.) Ltd.

Moreover, the LankaQR-enabled apps are BOC SmartPay, DirectPay, Onepay, OrelPay, ComBank Q+, Flash, DFCC Pay, FriMi, NDB NEOS, SOLO, WePay, UPay, CIM, iPay, Dialog eZ Cash, and Mobitel mCash.

Two days ago, the CBSL launched a nationwide promotional campaign to promote LankaQR.

Revenue...

Explaining further, de Mel provided that the best way to enhance revenue in the short term would be to focus on measures to expand the tax base rather than increasing rates.

He proposed that measures be introduced to reduce the value added tax (VAT) threshold - which was increased to Rs. 300 million per annum from Rs. 12 million per annum in early 2020 - to around Rs. 150 million per annum. Additionally, in the case of personal income tax, he proposed the reduction of the threshold, which was increased to Rs. 3 million per annum in early 2020, to a lower level.

"Similarly, measures to improve tax administration could include measures like the introduction of withholding tax on interest income. Because right now, the interest income has to be self-declared by the individual, whereas previously, the tax on interest income will be collected directly by the cash institution and remitted to the Inland Revenue Department (IRD). So, in terms of the tax administration, the IRD has to only deal with the banks and financial institutions, whereas now, it has to deal with the entire base of the depositing community in the country," added de Mel.

He further held that another measure that can be introduced in the short term is the indexation of alcohol and tobacco taxation. "Indexation means that the tax rate is increased in line with the growth rate of nominal GDP (gross domestic product). Therefore, the tax incidence will increase in line with affordability and thus ensure a steady stream of tax enhancements from alcohol and tobacco products regularly," explained de Mel.

According to a study conducted by Verité Research, by failing to implement indexation of tobacco taxes, the opportunity lost in terms of tax revenue within a single year was around Rs. 20 billion.

He further provided that by 2023 or 2024, once the economy has recovered sufficiently, the value-added tax (VAT) rates can be increased from their current level of 8%, which is quite low when compared to regional peer comparisons and Sri Lanka's historical standards.

Additionally, he held that while the corporate income tax in Sri Lanka at 24% is in line with the median range of our peer economies, the issue is with the significant level of divergences from the regular rate allowed by the concessionary rates offered.

Accordingly, de Mel proposed: "We can shift to a system where we revert to a three-tier corporate income tax rate; 24% as the regular rate, 14% as the concessionary rate, and 40% as the top rate, applicable to sectors such as alcohol, tobacco, and gaming."

Moreover, he suggested the reintroduction of pay as you earn (PAYE) tax, which will be a useful measure in terms of tax administration, freeing the IRD from having to focus on the entire employee population.

These comments were made by de Mel at the press briefing conducted by Verité Research on the findings published in the online platform "Budget Promises: Beyond Parliament" regarding the Government's fulfilment of budget promises in 2020.

"Budget Promises: Beyond Parliament" is a pioneering online platform launched in 2017 that tracks the Government's performance in delivering on its budget promises.

In 2020, due to the absence of a budget speech, the platform assessed 26 regulatory and expenditure cabinet decisions taken during January-June 2020 and eight proposals from the 2019 budget speech that were not fulfilled during 2019 due to the Easter Sunday attacks.

Of the 34 proposals considered by the platform for 2020, it was able to obtain confirmation regarding at least the partial implementation of only 15 proposals.

Pathirana...

Dr. Pathirana made these instructions during the discussion that took place at the Ministry Auditorium in Sethsiripaya, Battaramulla to review its progress.

Dr. Pathirana also instructed the state banks who were provisioned to provide the loan to small and medium enterprises (SMEs) while paying attention to tea estate owners who are unable to obtain loans as per the information that the ministry received.

We request the banks to provide the relevant loans without inconveniencing those people," he noted.

About 75% of small and medium-scale tea estate owners play a significant role in strengthening the economy of this country. The Government is to further strengthen these small and medium-scale tea estate owners.

State Minister Kanaka Herath and Ministry of Plantations Secretary Ravindra Hewawitharana, ministry officials, and senior officials of state banks also participated in the discussion.

Sarvodaya...

This translates into an estimated forward PER of 16.17 for FY22 and implied TTM PER (as at 31 August 2021) of 11.02x.

Interested potential investors can visit ipo.sarvodayafinance.lk to obtain more information on the process and submit their applications.

Investors stand to gain a plethora of benefits related to the forecasted highly positive company performance levels in the near future, offering investors the chance to invest into empowering Sri Lanka's village entrepreneurs, while securing consistent returns. By investing in the IPO, investors stand to benefit from the growth of the local small and medium enterprises (SMEs) industry, which has also seen highly positive growth forecasts over the turn of the year. The IPO is being offered with a discount of 17% to the share issue transaction price-to-book value (PBV), enabling investors to gain a significant increase in value over time as the shares are traded, due to capital appreciation of price.

SDF is a financial services provider that aims to uplift and empower rural masses across the nation by facilitating development opportunities with the prime goal of securing equitable economic growth and driving national development. Capitalising on the Lanka Jathika Sarvodaya Shramadana Sangamaya's unique brand recognition and widespread societal networks, SDF has transformed into a tech-savvy financial services specialist with a diverse product range, with over hundreds of thousands of customers, served by 51 branches and customer service centres, islandwide.

Global...

Chairman Dr. Harsha Cabral PC said that Tokyo Cement is operating its cement manufacturing plant in Trincomalee at the maximum installed capacity of around 170,000 MT per month and will continue to supply cement islandwide at the highest output levels.

In addition to local production at maximum capacity, the company has been importing 30,000 MT of bulk cement per month through the Tokyo Cement Colombo Terminal.

Meanwhile, Minister of Highways Johnston Fernando, speaking at an event, requested the Opposition not to highlight temporary issues, stating that there will not be any sugar or cement shortage after two to three weeks, and the shortages are merely temporary issues.