

Financial Performance of Commercial Public Enterprises - 2004

National Paper Co. Ltd

1 Name & Address of the Enterprise: **National Paper Co. Ltd**
356, Union Place,
Colombo 02

2 Mission:

Improve Productivity in every area of the organization so that the Company's product will gain a competitive edge over imports and thereby become viable.

3 Major Activities:

Manufacture of paper and paper related products.

4 Performance Trend

ABSOLUTE VALUES		2001/2002	2002/2003	2003/2004	2004/2005	2005/2006 B
1	Total Revenue for the year (Rs.' 000)	443,273	281,655	114,082	94,801	N/A
2	Gross Profit for the year (Rs.' 000)	(61,707)	(120,632)	(35,336)	1,452	N/A
3	Net Profit before Interest and Tax for the year (Rs.' 000)	(98,901)	(144,218)	(37,000)	(11,070)	N/A
4	Financial Charges for the year (Rs.' 000)	21,703	18,173	6,956	2,246	N/A
5	Total Cost of Employment for the year (Rs.' 000)	261,880	229,324	133,714	134,000	N/A
6	Capital Expenditure for the year (Rs.' 000)	914	-	8,205	1,762	N/A
7	Non-Current Assets as at end of the year (Rs.' 000)	136,338	117,489	98,071	83,445	N/A
8	Current Assets as at end of the year (Rs.' 000)	545,189	427,331	308,857	333,216	N/A
9	Current Liabilities as at end of the year (Rs.' 000)	457,805	383,798	314,475	311,261	N/A
10	Non-Current Liabilities as at end of the year (Rs.' 000)	-	113,169	81,098	91,893	N/A
11	Equity as at end of the year (Rs.' 000)	223,722	47,852	11,355	13,507	N/A
12	Contribution to the Consolidated Fund (Rs.' 000)	-	-	-	-	N/A
13	Number of Employees as at end of the year (Nos.)	2,113	1,510	1,038	1,011	N/A
14	Investment of Surplus Fund as at end of the year (Rs.' 000)	-	69,861	34,205	32,823	N/A
15	Key Performance Indicators					
i)	Net Profit bef. Tax to Equity (%)	-54%	-339%	-387%	-99%	N/A
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets (%)	-15%	-26%	-9%	-3%	N/A
iii)	Current Ratio (%)	119%	111%	98%	107%	N/A
iv)	Total Cost of Employment per Employee (Rs.' 000)	124	152	129	133	N/A

5 Comments on Performance:

Revenue generation has declined by 17%. However the net loss has declined during the year.

Financial charges too has declined by 68% during the year.

Total cost of employment has increased marginally with the decline in the number employed. Total salary bill of the Company has been financed by the Treasury.

During the year total capital expenditure has been utilised on the purchase of process equipment to enhance the earnings of the business.

The accumulated losses as at end of the year under review amounts to Rs.401mn, which has totally eroded capital employed.

The Company is currently undergoing the restructuring process under the supervision of PERC.