

Financial Performance of Commercial Public Enterprises - Year 2003

1 Name & Address of the Enterprise: State Pharmaceuticals Corporation of Sri Lanka
75, Sir Baron Jayatillake Mw.,
Colombo 01.

2 Mission:

To be an effective organization, providing a range of quality assured health care products at affordable prices while maintaining good relationship with stakeholders.

3 Major Activities:

Importing and selling pharmaceuticals.
Supplying pharmaceuticals to the Medical Supplies Department (MSD)
Processing of Jeewani, Bee Cream and Glucose

4 Brief comments on financial performance

Net Profits have declined substantially during the year despite improvements in the Revenue generation and Gross Profits, as a result of heavy increase in the operating expenses including cost of employment.

There has been a substantial build up of total assets and equity despite increases in total liabilities.

Return on Equity and the Total Assets too have declined substantially in the year 2003.

SPC's market share is around 30% and almost 70% of its products are imported from India.

The Corporation has not been contributing to the Consolidated Fund.

The Corporation has now been identified as a Strategic Enterprise and brought under SEMA to improve the efficiency and effectiveness and financial viability of the enterprise.

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004 B
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' Mn) 259	258	232	234	217
2	Total Current Assets as at end of year	(Rs.' Mn) 1,023	1,411	2,545	2,973	2,864
3	Total Equity as at end of year	(Rs.' Mn) 488	582	756	930	1,096
4	Total Non-Current Liabilities as at end of year	(Rs.' Mn) 26	27	29	31	35
5	Total Current Liabilities as at end of year	(Rs.' Mn) 768	1,060	1,992	2,247	1,949
6	Total Revenue for the year	(Rs.' Mn) 1,505	1,743	2,007	2,161	2,270
7	Gross Profit for the year	(Rs.' Mn) 220	253	308	354	319
8	Net Profit bef. Tax for the year	(Rs.' Mn) 157	206	375	331	302
9	Financial Charges for the year	(Rs.' Mn) 126	135	102	117	117
10	Total Capital Expenditure for the year	(Rs.' Mn) 18	23	15	13	8
11	Total Cost of Employment for the year	(Rs.' Mn) 107	127	136	141	149
12	Total Number of Employees as at end of year	(Nos.) 633	645	634	631	750
RATIOS						
a)	Net Profit bef. Tax to total Equity	(%) 32.12%	35.36%	49.56%	35.62%	27.58%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%) 22.08%	20.45%	17.16%	13.97%	13.61%
c)	Total Cost of Employment per employee	(Rs.' 000) 168.89	197.35	214.38	223.54	199.19