



2023

INDUSTRY

Paint, Chemical and
Painting Materials Sector

**DATA
BOOK**



MINISTRY OF INDUSTRIES

Paint, Chemical and Painting Materials

MINISTRY OF INDUSTRIES

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Foreword

The 2023 Industrial Data Book represents our commitment to supporting industrialists as they face current economic challenges and strive for sustainable development through improved decision-making. This data book primarily concentrates on the statistical factors that impact economic growth, particularly focusing on export expansion.

The statistical analyses presented in this data book are based on comprehensive statistical data sourced from various institutions, including the Department of Census and Statistics (DCS), the Department of Customs (DoC), the Export Development Board (EDB) and the Central Bank of Sri Lanka (CBSL).

Within this publication, you will find statistical references related to both exports and imports. This includes tables featuring productivity indicators derived from manufacturing establishments and the number of individuals employed in each sector, as well as statistics on key indicators of industrial activity spanning from 2016 to 2020. The data also covers the value of outputs and output components, intermediate consumption values, employment breakdowns by nature, economic indicators categorized by industry class, and import and export statistics.

I extend my gratitude to Mr. Aruna Bandara, Director General of the Planning Division at the Ministry of Industries, and his dedicated team for their unwavering support throughout this project. I would also like to express my sincere appreciation to Mr. Kavishka Heshan, Statistician at the Ministry of Industries, and his team members, Mr. Nirosh Chathuranga Pathiraja and Mr. Shamith Rashmika Jayawardane, for their remarkable dedication and collaborative efforts with the DCS, which helped make this data book a reality.

I firmly believe that the 2023 Industrial Data Book will play a crucial role in shedding light on current and future productivity and economic growth trends within the industrial sectors. It has the potential to significantly influence policymaking in the industry sectors and will be valuable to a wide range of data consumers, including policymakers, economic planners, academics, researchers and other interested parties in the future.

J.M. Thilaka Jayasundara
Secretary
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Overview

As of 2022, the Paint, Chemical, and Painting Materials sector in Sri Lanka continues to be a vital component of the country's economy, contributing significantly to construction, infrastructure development, and industrial activities.

Market Size and Growth: The sector has been experiencing steady growth, with the demand for paints, chemicals, and painting materials fueled by ongoing construction projects, infrastructure development, and industrial expansion. In 2021, the market size for the paint industry in Sri Lanka was estimated to be around \$200 million USD.

Key Players: The market is dominated by both local and international players. Local companies such as Multilac, JAT Holdings, and Paints & General Industries hold a substantial market share. International players like AkzoNobel, Berger Paints, and Asian Paints also have a significant presence in the Sri Lankan market.

Product Range: The sector offers a wide range of products including decorative paints, industrial coatings, automotive coatings, wood coatings, and specialty chemicals. In 2021, decorative paints accounted for the largest share of the market, followed by industrial coatings.

Technological Advancements: Manufacturers in Sri Lanka are increasingly adopting advanced technologies to improve efficiency and product quality. Automated systems, eco-friendly formulations, and digital color matching tools are being employed to meet consumer demands and environmental regulations.

Environmental Concerns: There is a growing demand for eco-friendly and low VOC (volatile organic compound) products in Sri Lanka. Manufacturers are investing in research and development to develop

sustainable paint formulations that have minimal environmental impact. In 2021, eco-friendly paints accounted for approximately 20% of the total paint market.

Export Performance: Sri Lanka's paint and chemical industry also has significant export potential. In 2021, exports of paints, varnishes, and related products from Sri Lanka amounted to over \$50 million USD. Key export markets include neighboring countries in South Asia as well as countries in the Middle East and Africa.

Regulatory Landscape: The sector operates within a regulatory framework that governs product standards, labeling requirements, and environmental regulations. Compliance with these regulations is essential for manufacturers to ensure product safety and environmental sustainability.

Challenges and Opportunities: The sector faces challenges such as fluctuating raw material prices, intense competition, and economic uncertainties. However, there are opportunities for growth, particularly in untapped rural markets and through product diversification into niche segments such as protective coatings and specialty chemicals.

In conclusion, the Paint, Chemical, and Painting Materials sector in Sri Lanka remains a dynamic and evolving industry, driven by factors such as infrastructure development, technological advancements, and environmental concerns. With the right strategies and investments, stakeholders can capitalize on opportunities and overcome challenges to further strengthen the sector's contribution to the country's economy.

Table 1: Manufacture of chemicals and chemical products Contributions to the GDP at Current and Constant Market Price (2018 - 2022)

Year	Current		Constant	
	Contribution Value (Rs. Mn)	Share of total Current GDP (%)	Contribution Value (Rs. Mn)	Share of total Constant GDP (%)
2018	66,895	0.44	81,358	0.62
2019	108,514	0.68	84,326	0.64
2020	107,222	0.69	85,302	0.68
2021	139,608	0.79	88,741	0.68
2022	234,656	0.98	77,283	0.64

Source: Department of Census and Statistics

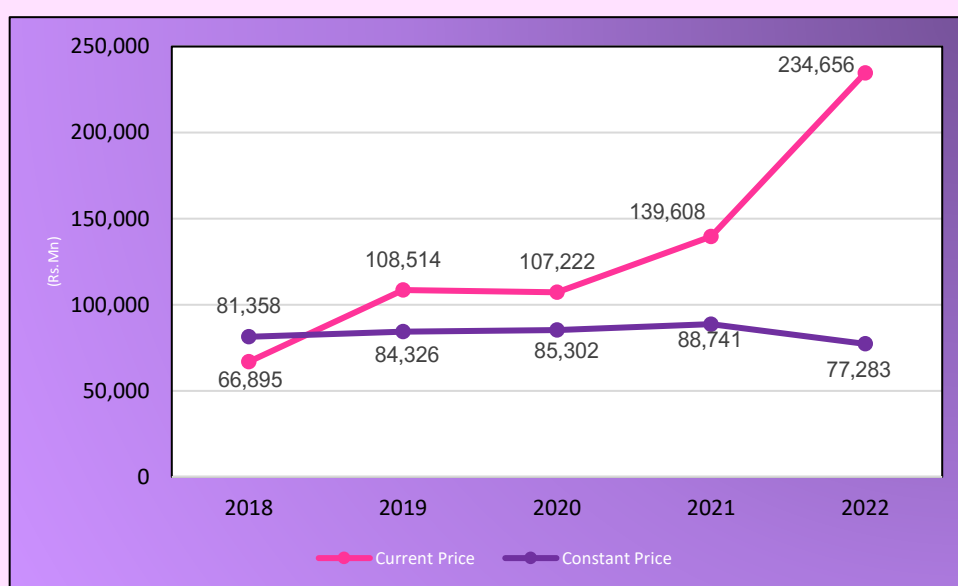


Figure 2 : The Contribution of the Manufacture of chemicals and chemical products

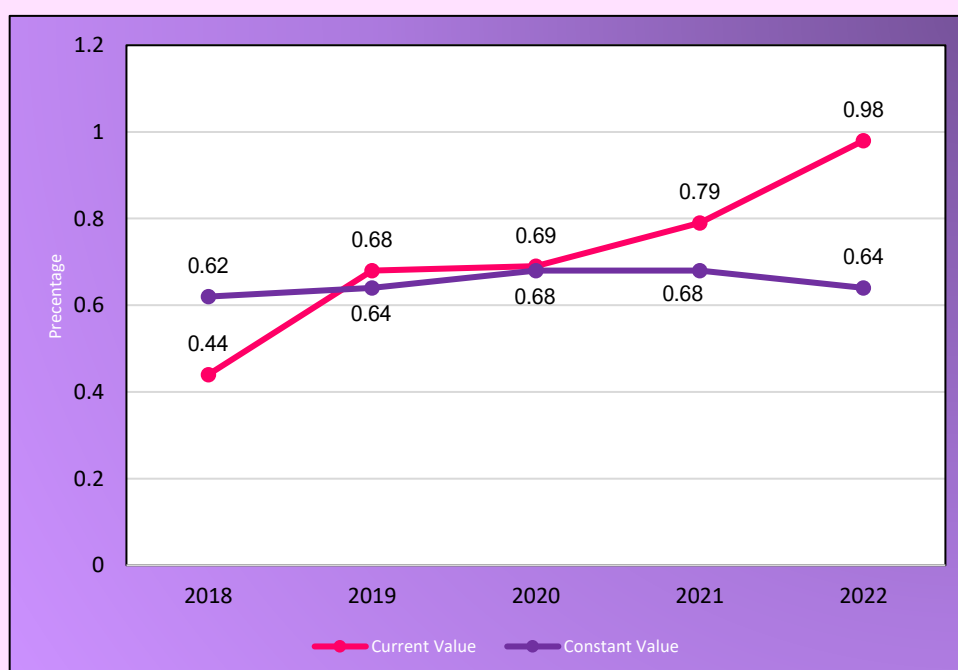


Figure 3 : The Share of the Manufacture of chemicals and chemical products

Table 2: Manufacturing Establishments and Number of Persons Engaged of chemicals and chemical products (2016-2020)

Year	Establishments 5 - 24 persons engaged		Establishments 25 or more persons engaged		Total	
	No. of Establishments	Persons engaged	No. of Establishments	Persons engaged	No. of Establishments	No. persons engaged
2016	210	1,952	254	31,317	464	33,269
2017	200	1,796	324	33,275	524	35,071
2018	337	3,325	278	30,766	615	34,031
2019	171	2,317	265	33,215	436	35,532
2020	178	2,023	218	24,680	396	26,703

Source: Department of Census and Statistics, Annual Survey of Industries

Table 3: Principal Indicators of Industrial Activity classified by persons engaged size of chemicals and chemical products (2016) - (Establishments with 5 or more persons engaged)

2016								
Size Class	No. of establishments	No. of Persons engaged	No. of Employees	Salary & Wages (Rs.)	Output (Rs.)	Intermediate consumptions (Rs.)	Value added (Rs.)	Gross addition to fixed assets (Rs.)
less than 10	146	994	639	112,269,337	559,244,031	298,430,751	260,813,280	226,000
10 to 99	224	8,038	7,877	2,677,447,731	39,078,787,085	24,798,742,839	14,280,044,246	915,53,223
100 & above	94	24,237	24,147	8,902,371,078	128,391,563,579	71,896,411,246	56,495,152,332	3,468,686,572
Group total	464	33,269	32,663	11,692,088,146	168,029,594,695	96,993,584,836	71,036,009,858	4,384,415,795

Source: Department of Census and Statistics, Annual Survey of Industries

Table 4: Principal Indicators of Industrial Activity classified by persons engaged size of chemicals and chemical products (2017) - (Establishments with 5 or more persons engaged)

2017								
Size Class	No. of establishments	No. of Persons engaged	No. of Employees	Salary & Wages (Rs.)	Output (Rs.)	Intermediate consumptions (Rs.)	Value added (Rs.)	Gross addition to fixed assets (Rs.)
less than 10	117	646	330	62,796,778	310,969,873	122,508,612	188,461,260	40,976
10 to 99	326	11,762	11,482	3,328,265,393	37,925,288,082	24,126,442,806	13,798,845,276	271,176,456
100 & above	81	22,663	22,608	10,813,068,506	130,545,176,142	75,646,336,334	54,898,839,807	9,838,643,714
Group total	524	35,071	34,421	14,204,130,677	168,781,434,096	99,895,287,753	68,886,14,343	10,109,861,146

Source: Department of Census and Statistics, Annual Survey of Industries

Table 5: Principal Indicators of Industrial Activity classified by persons engaged size of chemicals and chemical products (2018) - (Establishments with 5 or more persons engaged)

2018								
Size Class	No. of establishments	No. of Persons engaged	No. of Employees	Salary & Wages (Rs.)	Output (Rs.)	Intermediate consumptions (Rs.)	Value added (Rs.)	Gross addition to fixed assets (Rs.)
less than 10	200	1,208	633	114,287,953	351,208,720	193,065,373	158,143,346	20,254,302
10 to 99	346	13,370	12,674	4,706,359,282	60,334,829,013	40,258,344,153	20,076,484,860	(9,177,268,042)
100 & above	70	19,513	19,485	9,228,107,516	136,186,985,377	80,302,516,483	55,884,468,894	2,969,487,702
Group total	616	34,091	32,792	14,048,754,751	196,873,023,109	120,753,926,009	76,119,097,100	(6,187,526,038)

Source: Department of Census and Statistics, Annual Survey of Industries

Table 6: Principal Indicators of Industrial Activity classified by persons engaged size of chemicals and chemical products (2019) - (Establishments with 5 or more persons engaged)

2019								
Size Class	No. of establishments	No. of Persons engaged	No. of Employees	Salary & Wages (Rs.)	Output (Rs.)	Intermediate consumptions (Rs.)	Value added (Rs.)	Gross addition to fixed assets (Rs.)
less than 10	49	281	164	32,016,188	108,028,835	67,920,327	40,108,508	26,107,073
10 to 99	310	13,153	12,657	6,199,234,233	103,437,278,052	67,840,346,417	35,596,931,635	2,685,397,728
100 & above	77	22,097	22,058	10,390,290,409	124,620,645,225	77,950,830,537	46,669,814,688	2,526,311,775
Group total	436	35,532	34,879	16,621,540,829	228,165,952,112	145,859,097,281	82,306,854,831	5,237,816,577

Source: Department of Census and Statistics, Annual Survey of Industries

Table 7: Principal Indicators of Industrial Activity classified by persons engaged size of chemicals and chemical products (2020) - (Establishments with 5 or more persons engaged)

2020								
Size Class	No. of Establishments	No. of Persons engaged	No. of Employees	Salary & Wages (Rs.)	Output (Rs.)	Intermediate consumptions (Rs.)	Value added (Rs.)	Gross addition to fixed assets (Rs.)
less than 10	73	439	266	37,370,940	3,382,087,382	2,079,497,534	1,302,589,848	31,784,000
10 to 99	229	8,441	7,980	2,927,643,140	35,016,519,945	23,118,577,195	11,897,942,750	748,763,298
100 & above	94	17,823	17,785	7,381,449,346	112,121,232,301	76,268,995,235	35,852,237,066	2,344,967,225
Group total	395	26,704	26,030	10,346,463,427	150,519,839,628	101,467,069,964	49,052,769,664	3,125,514,523

Source: Department of Census and Statistics, Annual Survey of Industries

Table 8: Manufacturing of Paint, Chemical and Painting Materials Per Head Labour Productivity and Cost

Year	Per head Labour Cost	Per head Labour Productivity	Labour Cost to Productivity Ratio
2016	364,426	5,326,885	14.62
2017	417,718	4,935,863	11.82
2018	435,138	6,300,940	14.48
2019	484,324	6,511,984	13.45
2020	397,482	5,782,552	14.55

Source: Department of Census and Statistics, Annual Surveys of Industries

Figure 4: Manufacturing of Paint, Chemical and Painting Materials Per Head Labour Productivity and Cost

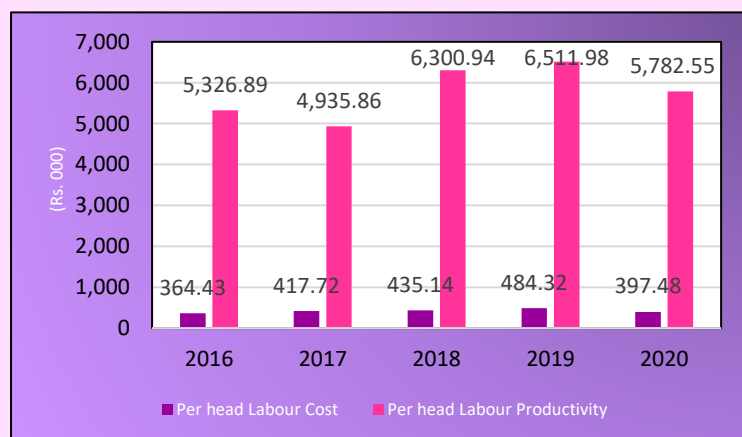


Table 9: Value of Output & Output Components Classified by chemicals and chemical products Industry - (Establishments 25 or more engaged)

Year	Output (Rs.)	Shipped (Rs.)/ products moved of the establishment (Rs.)	Change in Stocks (Rs.)	Industrial services & other revenue (Rs.)
2016	165,767,345,997	131,226,668,678	1,322,534,129	33,218,143,189
2017	163,372,146,057	134,758,085,064	976,579,935	27,637,481,058
2018	191,958,167,456	157,379,918,693	1,595,857,200	32,982,391,564
2019	213,755,883,159	189,277,714,985	(435,698,555)	24,913,866,729
2020	139,379,652,391	126,784,207,152	2,452,306,500	10,143,138,740

Source: Department of Census and Statistics, Annual Surveys of Industries

Table 10: Value of Intermediate Consumptions & Intermediate Consumptions Components Classified by chemicals and chemical products Industry - (Establishments with 25 or more persons engaged)

Year	Intermediate consumption (Rs.)	Raw materials consumed (Rs.)	Cost of industrial services done by others & other payments (Rs.)	Electricity & fuel consumed (Rs.)
2016	95,417,754,042	80,936,428,797	11,870,331,345	2,610,993,899
2017	96,943,096,235	82,697,370,922	11,353,202,528	2,892,522,785
2018	117,739,826,090	100,724,158,352	12,527,540,654	4,488,127,085
2019	136,666,308,539	120,216,800,550	11,852,863,779	4,596,644,209
2020	94,344,077,882	83,930,476,424	7,259,839,838	3,153,761,620

Source: Department of Census and Statistics, Annual Surveys of Industries

Table 11: Employment by Nature of Employment & Gender Classified by Industry chemicals and chemical products (Establishment with 25 or more persons engaged)

Year	Working Proprietors (No.)		Unpaid family workers (No.)		Operatives (No.)		Other employees (No.)		Total persons engaged	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
2016	161	20	11	06	15,416	7,749	6,272	1,682	21,860	9,457
2017	116	33	13	13	15,465	9,443	6,077	2,113	21,672	11,602
2018	213	62	13	13	14,381	7,897	5,797	2,390	20,404	10,362
2019	306	60	22	2	16,116	9,129	5,212	2,368	21,656	11,559
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Department of Census and Statistics, Annual Surveys of Industries

Table 12: Economic Indicators of Industrial Activity Classified by Industry Class of Paint, Chemical and Painting Materials - (Establishments with less than 25 persons engaged)

Year	Output per persons engaged (Rs.)	Output per intermediate consumptions	Output per assets	Value added per persons engaged (Rs.)	Value added per intermediate consumptions	Value added per assets
2016	1,159,137	1.44	0.86	351,709	0.44	0.26
2017	3,011,838	1.83	1.20	1,368,087	0.83	0.91
2018	1,478,152	1.63	1.85	571,656	0.63	0.72
2019	6,219,010	1.57	3.69	2,251,642	0.57	1.33
2020	5,505,700	1.56	6.64	1,985,400	0.56	2.39

Source: Department of Census and Statistics, Annual Surveys of Industries

Table 13: Economic Indicators of Industrial Activity Classified by Industry Class of Paint, Chemical and Painting Materials - (Establishments with 25 or more persons engaged)

Year	Output per persons engaged (Rs.)	Output per intermediate consumptions	Output per assets	Value added per persons engaged (Rs.)	Value added per intermediate consumptions	Value added per assets
2016	9,716,088	1.69	3.88	3,956,546	0.69	1.58
2017	9,088,481	1.63	2.94	3,089,118	0.63	1.14
2018	6,646,449	1.60	1.17	2,501,180	0.60	0.44
2019	6,921,998	1.59	2.80	2,565,135	0.59	1.31
2020	11,088,700	1.50	2.46	3,615,900	0.46	0.8

Source: Department of Census and Statistics, Annual Surveys of Industries

Table 14: Categories of Employees by Nature of Employment Classified by Industry of Paint, Chemical and Painting Materials

Year	Establishments with 25 or more persons engaged			Establishments with Less than 25 persons engaged		
	Employees (No.)	Skilled (No.)	Unskilled (No.)	Employees (No.)	Skilled (No.)	Unskilled (No.)
2016	31,119	16,618	6,547	1,544	739	588
2017	33,099	19,534	5,375	1,323	808	236
2018	30,465	16,964	5,315	2,326	1,376	528
2019	32,825	20,620	4,625	2,054	1,212	254
2020	24,412	15,578	3,513	1,618	1,021	290

Source: Department of Census and Statistics, Annual Surveys of Industries

Table 15: Paint, Chemical and Painting Materials Export (2020-2022)

Description	Unit	2020		2021		2022	
		QTY	Value (Rs.)	QTY	Value (Rs.)	QTY	Value (Rs.)
Paints and varnishes (Including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in non-aqueous medium; solutions as defined in Note 4 to this Chapter.	KG	3,097,761	2,455.25	921,838	820.75	571,268.52	1,031.00
Plants and varnishes (Indulge enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in an aqueous medium	KG	822,046	660.46	84,838	63.1	22,841.29	44.99
Other Plants and varnishes (Indulge enamels and lacquers distempers); prepared water pigments of a kind used for finishing leather:	KG	62,536	52.19	124,872	90.38	96,221.99	133.33
Grand Total		3,982,343	3,167.9	1,131,548	974.23	690,331.8	1,209.32

*Source: Sri Lanka Customs***Table 16: Paint, Chemical and Painting Materials Re-Export (2022)**

Description	Unit	2022	
		QTY	Value (Rs.)
Plants and varnishes (Including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in non-aqueous medium; solutions as defined in Note 4 to this Chapter.	KG	77,677	177,962,974
Plants and varnishes (Indulge enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in an aqueous medium	KG	7,941	14,069,506
Other Plants and varnishes (Indulge enamels and lacquers distemper); prepared water pigments of a kind used for finishing leather:	KG	1,370	1,071,554
Grand Total		86,988	193,104,034

Source: Sri Lanka Customs

Table 17: Paint, Chemical and Painting Materials Import (2020-2022)

Description	Unit	2020		2021		2022	
		QTY	Value (Rs.)	QTY	Value (Rs.)	QTY	Value (Rs.)
Paints and varnishes (Including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in non-aqueous medium; solutions as defined in Note 4 to this Chapter.	KG	3,097,761	2,455,250,210	4,026,872	3,393,211,181	3,317,596	5,008,517,641
Plants and varnishes (Indulge enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in an aqueous medium	KG	822,046	660,460,740	1,083,346	1,050,526,589	971,250	1,443,580,003
Other Plants and varnishes (Indulge enamels and lacquers distempers); prepared water pigments of a kind used for finishing leather:	KG	62,536	52,193,652	99,097	72,454,168	55,946	99,323,136

Source: Sri Lanka Customs

Table 18: Paints and Allied industry Raw Material Import (2020-2022)

Description	Unit	2020		2021		2022	
		QTY	Value (Rs.)	QTY	Value (Rs.)	QTY	Value (Rs.)
binders/ Resins	KG	13,852,713	3,277,152,814	18,115,199	6,150,661,564	12,660,937	7,028,910,975
Fillers/extenders	KG	63,000,708	3,206,553,916	-	-	10,071,523	1,257,738,019
Pigments	KG	10,860,574	3,757,898,372	8,140,554	5,119,402,306	4,466,130	4,657,533,108
Dispersing Agents	KG	9,315,518	4,884,423,201	-	-	9,323,621	8,922,772,481
driers	KG	152,733	100,644,151	200,075.7	169,147,444	63,399	107,749,334
Neutralizing agents	KG	107,740	36,431,119	-	-	814,549	260,795,383
Preservatives	KG	87,342	1,031,247,420	-	-	20,116	317,750,845
Solvents	KG	20,729,859	3,295,038,733	-	-	19,870,917	6,337,070,941
Thickeners	KG	1,139,973	1,083,627,363	1,085,920	1,139,667,247	972,087	1,591,820,020
Opacifier	KG	23,248	17,481,368	-	-	16,563	59,917,526
Grand Total		119,270,408	20,690,498,457	27,541,749	12,578,878,561	114,657,489	39,299,363,842

Source: Sri Lanka Customs