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கைத்தொழில் மற்றும் தொழில் முயற்சியாண்மை அபிவிருத்தி அமைச்சு
Ministry of Industry and Entrepreneurship Development



தூதலி லார்தால
முன்னேற்ற அறிக்கை
PROGRESS REPORT

2025



Progress Report - 2025

This Report has been translated in to Sinhala and Tamil languages as well.

Leadership and Direction



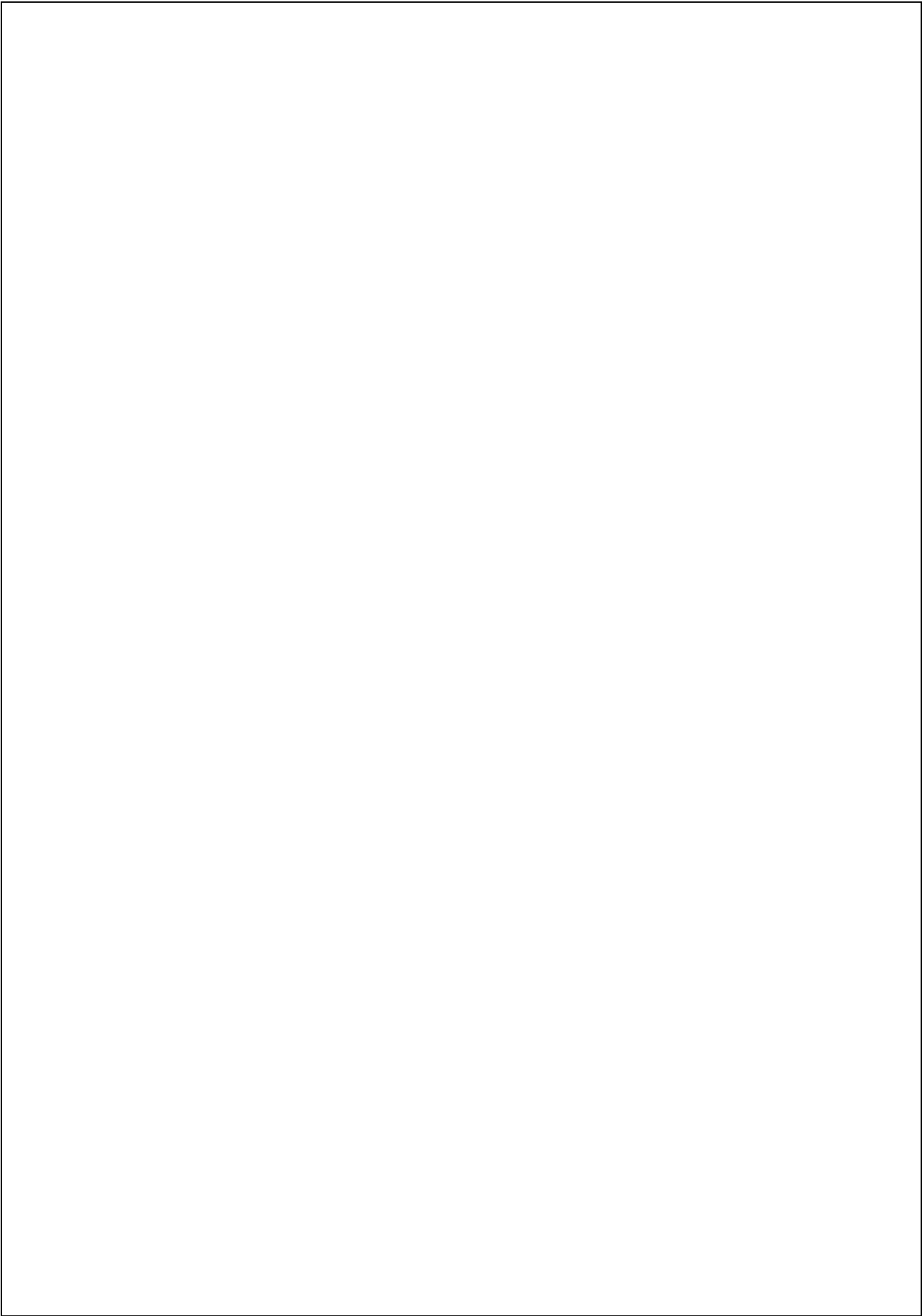
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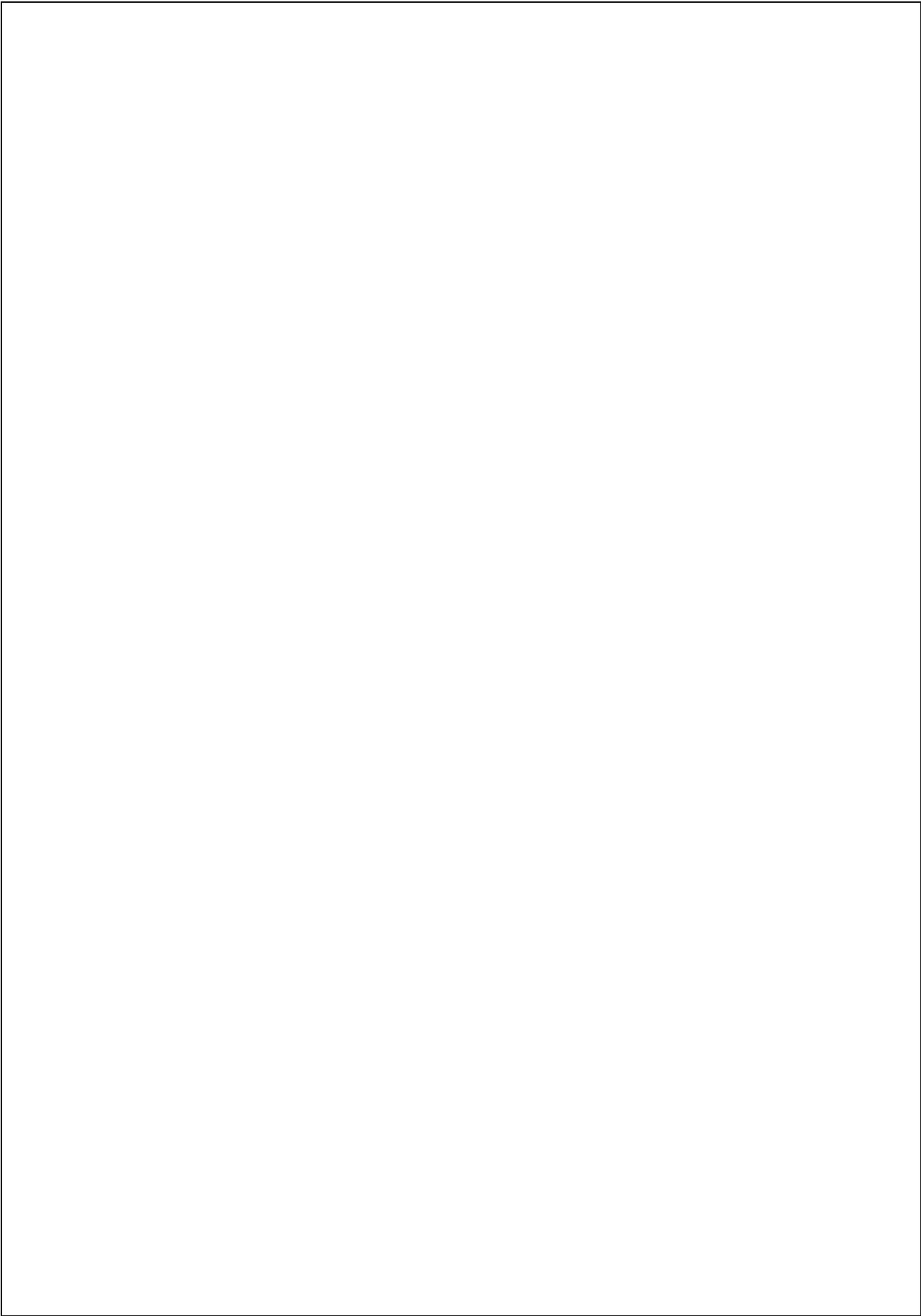


Vision

“Establish a Globally Competitive National Industry Base for Sustainable and Inclusive Growth of Sri Lanka”

Mission

Encourage diversified, high value added, innovative industrial products, use of eco-friendly sustainable methods, high market access opportunities and industrial development that benefits through the creation of a conducive environment based on technology, knowledge and innovative thinking.



Goals

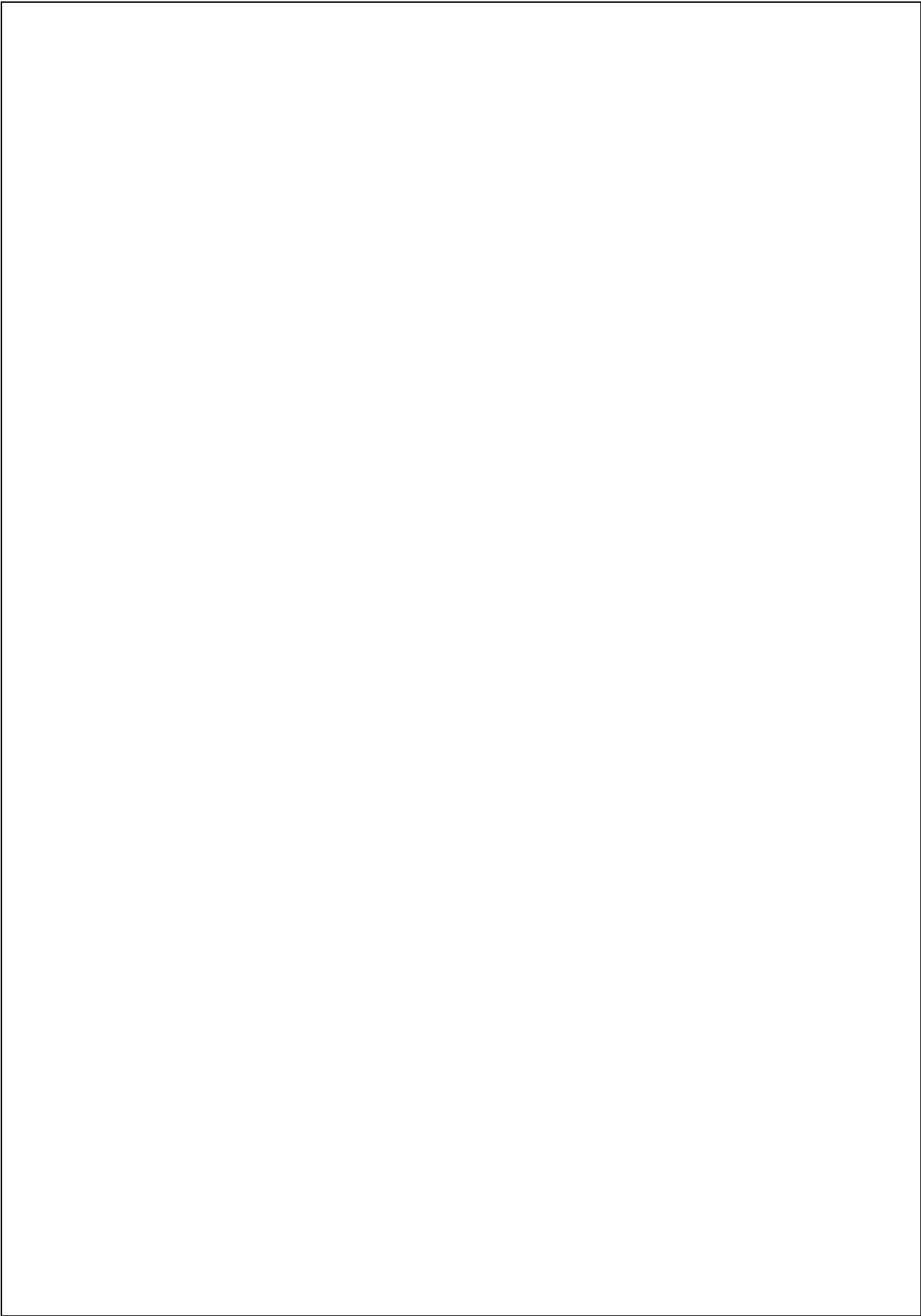
- To increase the Industry Sector's contribution to the GDP from 26.7% in 2024 up to 28% by 2030
- To increase the Manufacturing Industry sector's contribution to the GDP from 16.4% in 2024 up to 20% by 2030
- To increase entrepreneurship contribution to the national economy from 3.2% in 2023 up to 10% by 2030
- To increase the Merchandize exports from USD 12.7 Bn in 2024 to USD 28 Bn by 2030
- To increase the land extent for Industrial purposes from 0.01% in 2023 up to 1% by 2030 (International Norm is 3%).

Divisions of the Ministry

- | | |
|-------------------------------------|---|
| 1. Policy Development Division | 5. Project Management Unit |
| 2. Industrial Development Division | 6. Public Enterprises and Restructuring Division |
| 3. Thrust Area Development | 7. Traditional Industry, Gem and Jewellery Division |
| 3.1 Development Division - I | 8. Entrepreneurship Development Division |
| 3.2 Development Division – II | 9. Planning Division |
| 3.3 Development Division – III | 10. Administration Division |
| 4. Industrial Registration Division | 11. Finance and Procurement Division |

Statutory Institutions and Public Corporations under the Purview of the Ministry

1. Department of Textile Industry (DTI)
2. Industrial Development Board of Ceylon (IDB)
3. National Enterprise Development Authority (NEDA)
4. Kahatagaha Graphite Lanka Limited (KGLL)
5. Ceylon Ceramics Corporation (CCC)
6. Lanka Mineral Sands Limited (LMSL)
7. National Paper Company (NPC)
8. Lanka Leyland Limited (LLL)
9. Lanka Phosphate Limited (LPL)
10. National Salt Limited (NSL)
11. Sri Lanka Cement Corporation (SLCC)
12. Paranthan Chemicals Company Limited (PCCL)
13. BCC Lanka Limited (BCC)
14. National Design Centre (NDC)
15. Sri Lanka Institute of Textile & Apparel (SLITA)
16. Sri Lanka Handicrafts Board (SLHB)
17. National Crafts Council (NCC)
18. Lanka Salusala Ltd (LSL)
19. National Gem and Jewellery Authority (NGJA)
20. Gem and Jewellery Research and Training Institute (GJRTI)
21. The Small Enterprises Development Division
22. Sugarcane Research Institute (SCRI)
23. National Productivity Secretariat (NPS)
24. Sri Lanka Export Development Board (SLEDB)
25. Kantale Sugar Industries Limited (KSCL)
26. Lanka Sugar Company (Pvt) Limited
27. Galoya Plantations (Pvt) Limited



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Preface

The Ministry of Industry and Entrepreneurship Development is primarily responsible for planning, implementing, and facilitating development programs aligned with its core objectives. It also formulates strategic plans aimed at achieving these goals, with a vision to advance Sri Lanka's industrial sector in accordance with the national policy framework, "*A Thriving Nation – A Beautiful Life.*"

Several measures have been taken this year in collaboration with financial institutions (banks) and the Ministry of Finance to implement programs to provide necessary financial relief for the revival of local manufacturing industries to bring about a new renaissance in economic growth, as well as to provide the facilities needed for investment in new industrial sectors.

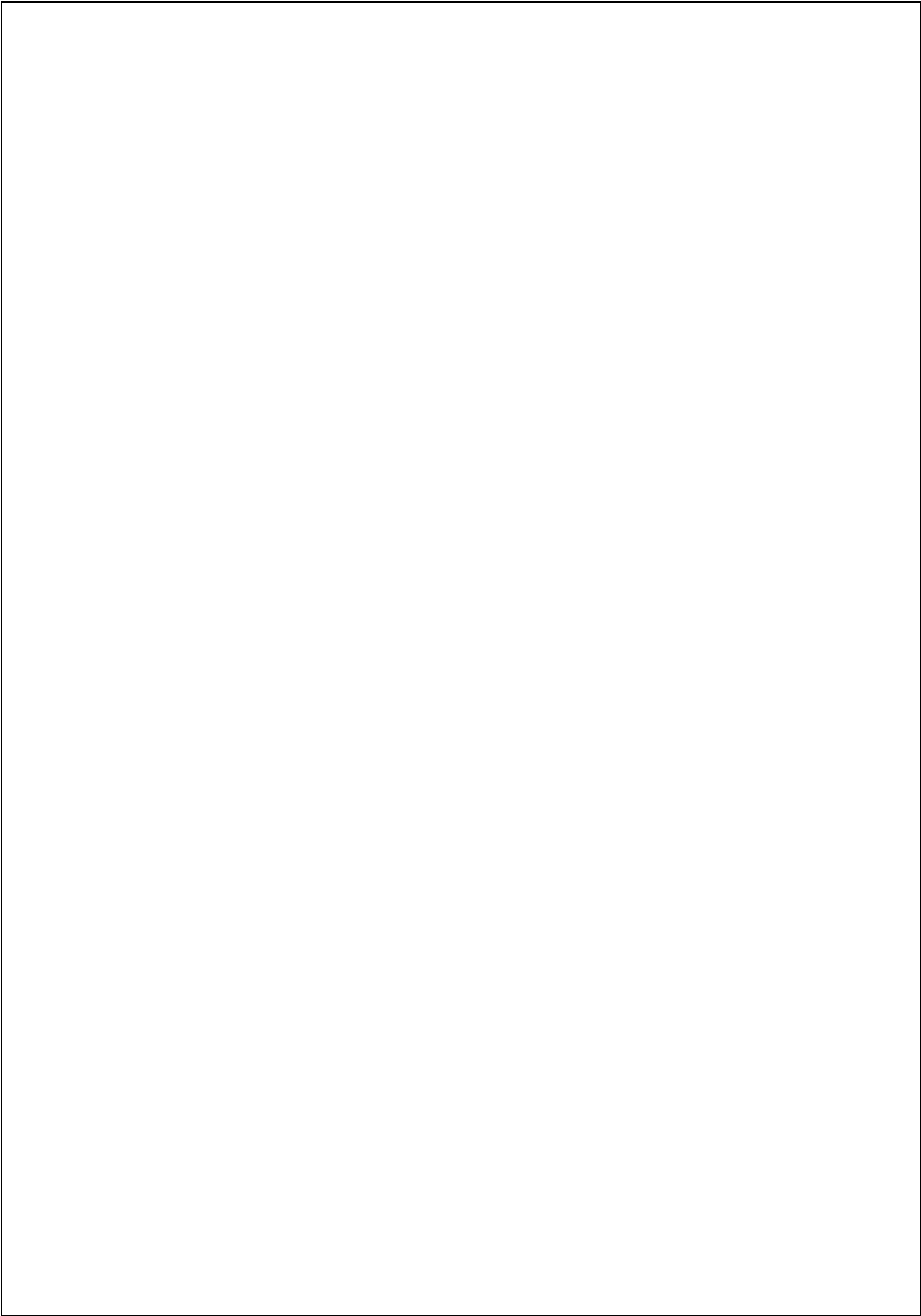
A National Industrial Policy has been developed to promote sustainable industrial growth. In line with this initiative, the Ministry and its affiliated institutions are currently finalising a Five-Year Strategic Action Plan for the period 2025 to 2030, and it is in its final stage. The amendment of the Industrial Development Act to facilitate rapid industrial development has also been basically completed.

The Ministry has implemented several programs to provide infrastructure facilities to encourage investments to distribute centralized industries only in development areas to regional areas.

Many programs have been implemented by the institutions under the purview of the ministry, including training programs for micro, small and medium-scale industrialists and entrepreneurs, provision of financial facilities, and introduction of graduate entrepreneurs to the sector.

In order to promote and show up the products of industrialists and to share international experiences from different nations, an international industrial exhibition has been organized during this year.

The Ministry has also introduced several measures to ensure optimal utilization of mineral resources, value addition, and strengthening loss-making state enterprises into profitable and commercially viable enterprises.



Direction of the Ministry of Industry and Entrepreneurship Development (From January to September 2025)

1. Supporting to create a Conducive Legal, Regulatory and Institutional Environment for Industries

National Industry Policy

- The National Policy for Industrial Development (NaPID), which will help build a manufacturing economy and develop the industries of Sri Lanka, has been formulated and is being prepared in line with the Government's "Prosperous Country – Beautiful Life" policy framework.
- The five-year strategic plan for the period 2025 – 2030 related to the industrial policy is also being prepared. A workshop to make the officials of the Ministry and all affiliated institutions aware will be held on 31st October, 01st and 02nd of November 2025.

Amendment of Industrial Promotion Act

- Amendment of the Industrial Promotion Act No. 46 of 1990 to suit the current and future requirements has been completed and the recommendations of the Department of Legal Draftsman have been given for the draft. The Ministry has completed the review of the recommended draft and it is expected to get the final approval of the New Cabinet for the draft and to implement it immediately.

Providing facilities for the assemble of electric vehicles.

Formulation of National Policy for the Automobile Assembling Industry

- The final draft of the National Policy for the Automobile Assembling Industry has been completed, and work is now underway to prepare a detailed Strategic Action Plan to guide its implementation. This Strategic Action Plan will provide a clear framework with measurable objectives, specific actions, and defined timelines to drive the development and transformation of the automobile assembling industry.

Standard Operating Procedure (SOP) for Automobile Manufacturing / Assembling Industry and Automobile Components Manufacturing Industry of Sri Lanka

The implementation of the SOP has facilitated structured growth, resulting in the assembly of 167,094 vehicles to date. From January to 30th September 2025, totally 70,792 vehicles were assembled, including 1,838 four-wheelers, 60 electric three-wheelers, and 68,894 two-wheelers, marking a significant milestone in domestic automobile assembly.

Local Assembling / Manufacturing of Electrical and Electronic Items

In 2025, local assembling and manufacturing of electrical and electronic appliances such as refrigerators, washing machines, and freezers recorded remarkable growth. A total of 69 appliance models have been approved for local assembly, including 35 refrigerator models, 26 washing machine models, and 08 freezer models. During this year, the sector has demonstrated innovation and expansion by introducing 18 new models of electrical appliances to the local market, reflecting the growing capacity and competitiveness of domestic manufacturers.

Establishment of Advisory Committees

20 new advisory committees for industries have been set up with the participation of the private sector and the public sector to meet the need to strengthen and promote local industries. Through the functioning of the new advisory committees, tariff concessions have been granted for a number of products in coordination with the Department of Trade and Investment Policy regarding the provision of concessions on tariffs levied on imported manufacturing raw materials. These committees are currently operating very successfully to foster growth in the industrial sector.

Entering into Performance Agreements with all Divisions and Institutions under the Ministry

Guidance to prepare Performance Agreements that include Performance Indicators (KPIs) for all the Divisions and Institutions under the Ministry and arrangements have been made to enter into Agreements with the relevant heads of the Divisions/Institutions with the Secretary. The progress of implementation of the activities in accordance with those agreements will be reviewed.

Establishment of the Faculty of Textile and Apparel Studies

The Sri Lanka Institute of Textiles and Apparel has established the Faculty of Textiles and Apparel, marking a significant milestone in the field of vocational education and has obtained approval to award degrees related to the field of Textiles and Apparel.

National Medal Awarding Ceremony for Sri Lanka's School Entrepreneurs

The Ministry of Industry & Entrepreneurship Development, in collaboration with the Industrial Development Board of Ceylon and the Ministry of Education, has commenced the National Medal Awarding Ceremony, the flagship event of the National School Industry Entrepreneurship Circles Program. This transformative initiative nurtures entrepreneurial thinking among school children, empowering them to contribute to innovation, productivity, and industrial growth from an early age.

2. Industries and MSME Development

2.1 Establishment of Industrial Estates and Infrastructure Facilities

- Under the special national program for the establishment of industrial zones/Industrial Estates at the regional and district level under this Ministry, preliminary development activities are being carried out on 1073.8 acres of the industrial estates which can be completed quickly under this, 34 existing industrial estates are being developed. In addition, development activities are also taking place in existing and new industrial estates under the Industrial Development Board (IDB).
- Development of Sooriyawewa IE will be completed with road development at a cost of Rs.271.77 Mn. and the land is ready to be allocated among investors.

2.2 Manufacturing Industry sub sector Assistance

Industry Promotion and Marketing - Industry Exhibitions

- “Industry EXPO 2025” International Industry Exhibition was successfully held from 18th to 21st September 2025 at Bandaranaike Conference Hall (BMICH) with the coordination of the Ministry and the Industrial Development Board (IDB) with the aim of taking local industries to international markets.

- The Footwear and Leather Goods Exhibition, held annually since 2007, was successfully held at the Bandaranaike Memorial International Conference Hall on 6,7,8 and 9 February 2025. There were approximately 262 stalls of local footwear and footwear-related manufacturers.
- The Ministry, in collaboration with the Sri Lanka Food Processors Association, successfully concluded the Profoods/Propack exhibition on 22, 23, and 24 August 2025 at the Bandaranaike Conference Hall (BMICH). This exhibition featured around 250 local and foreign industries participating in 380 exhibition booths, including a special exhibition pavilion at concessional rates for selected small and medium-scale industries.
- “Lanka Pack 2025” exhibition is planned to be held on the 23rd, 24th and 25th of October 2025 at the BMICH to increase foreign market opportunities for local packing industries.

Temporary Import Scheme for Export Processing (TIEP)

- The exports of industries are encouraged through the facilitation of duty-free imports of raw materials under the Temporary Import Scheme for Export Processing (TIEP). As of September 2025, TIEP facilities have been granted to 263 industries directly and indirectly involved in the value addition of products across various sectors, including packaging, processed foods, spices, coir-based products, tea, gems and jewellery, as well as dairy and dairy-based products. Additionally, recommendations have been given for 456 letters.

Quality and Productivity Improvement programmes for Manufacturing Industries

- The Ministry implemented quality and productivity improvement programmes for industries to obtain quality, safety and system certificates (ISO 9001, ISO 14001, ISO 22000, ISO 50001).
- Under this programme, 58 industries representing processed food packaging, value-added tea, value-added spices and coir industry sectors were selected to provide facilities for the year 2025. Financial facilities will be provided for industries which have successfully completed ISO certification

- The Ministry has implemented a financial assistance program for obtaining Good Manufacturing Practices (GMP) certificates for small and medium-scale industries engaged in food production. GMP certificates for selected industries should be obtained from the Sri Lanka Standards Institute (SLSI) or an institution accredited for GMP by the Sri Lanka Accreditation Board. In the year 2025, 27 industries were selected for this program.

National Industrial Database

The Ministry has finalised the National Industrial Database and is preparing for its inauguration on 06th November 2025.

2.3 Entrepreneurship Development

“Graduate Entrepreneurship Udana” Program

- National Enterprise Development Authority implements the "Graduate Entrepreneurship Udanaya" program for the development of entrepreneurship in collaboration with universities to get graduates joined in the field of business.
- In 2025, entrepreneurship training is already being conveyed to 404 students at the University of Kelaniya, Ruhuna, Sri Jayewardenepura, Colombo and Peradeniya.

National Program to Develop 1000 Young Entrepreneurs (4i Project)

- Interviews were conducted to select entrepreneurs under the project criteria covering 17 districts, and 713 entrepreneurs were selected from the interviews. After the field inspection conducted by the District Secretariats, 504 suitable entrepreneurs were selected for this program.
- The inauguration ceremony for these selected entrepreneurs is planned to be held at Waters Edge under the patronage of the Minister of Industry and Entrepreneurship Development and with the participation of officials of the Ministry and the entrepreneurs selected for Phase 1 of this project. Accordingly, the Ministry is expected to undertake the necessary activities to develop these young entrepreneurs and expand their business activities to the export market.

2.4 Financial Assistance for MSMEs

- Under Project III- (Revolving Fund Credit Scheme) for the Development of Leadership and Entrepreneurship in Small and Small-Scale Industries, Rs. 4000 Mn have been allocated and Rs. 1306 Mn has been given for 201 projects through 10 lending institutions (banks) for the year 2025.
- Under Environment-Friendly Revolving Fund Loan Scheme II (E –E-Friend) for the year 2025 Rs. 1500 Mn has been allocated and Rs. 396 Mn has been given as loans for 44 projects through 11 participating lending institutions (banks)

2.5 Gems and Jewellery Industry Development

Increasing Gem Export Revenue

- By the 30th of September 2025, through the export of gems, jewelery and diamond products, It was able to provide an income of about USD 284 Mn to the national economy.
- The “Gem Sri Lanka – 2025” International Gem and Jewellery Exhibition was successfully held in 2025, with 103 local and foreign exhibition stalls and the participation of a large number of local and foreign buyers.

Exploration and evaluation of new gem deposits in Sri Lanka

- It is estimated that more than two-thirds of Sri Lanka's land area , or about 70%, contains gem deposits . Only 20% of these resources have been explored to date .Under this situation, the exploration of new gem deposits has been identified as a priority task, and the Gem and Jewellery Research and Training Institute is working to explore new gem deposits using new technology. Under this project in the year 2025 The preliminary gem potential mapping of the Ingiriya, Dehi Ovita , Ayagama and Pelmadulla Divisional Secretariat Divisions has been completed.

2.6 Traditional Arts and Crafts Industry Development

- With the aim of promoting and popularizing local handicrafts within the tourism industry, National design Center have been made arrangements to hold a new design exhibition in November in Kandy, with a special focus on lacquer creations .As a prelude to this, the first phase was held at the Kandy City Center. At this event, 50 new designs were showcased, attracting around 950 visitors including both locals and tourists.
- As a special initiative, 03 programs were implemented under a new concept titled 'We Are the Design', aimed at providing traditional craft experiences to both tourists and local enthusiasts implemented by the National Crafts Council. A total of 198 local and foreign beneficiaries participated in these programs."
- The National Crafts Council implements full-time training programs, six-month teacher-craftsman training programs and short-term training programs related to handicrafts through 62 craft training centers spread across the island. So far, training facilities have been provided to 1272 persons through 97 programs.

2.7 Mineral sector Development

- Lanka Mineral Sands Limited has produced about 10,573 MT of minerals, including ilmenite, rutile, zircon, etc. up to September 2025.
- It has been focused on public-private partnership investments that will perform value-added activities, bringing about a massive transformation in the industrial sector, instead of exports of phosphate, graphite and other minerals without value addition.
- Discussions have been held with the Geological Survey and Mines Bureau as a preliminary step to formulate a national mineral policy.

3. Productivity Improvement

National Productivity Competition and Awarding Ceremony

In conjunction with the Clean Sri Lanka National Program, the National Productivity Secretariat has organized the National Productivity Competition and Awards Ceremony with the aim of developing human resources and organizational productivity. The inaugural ceremony was held on 15th May 2025 and at present 5252 institutions have been registered under the categories of public, service and manufacturing and schools. An awarding ceremony for the winning organizations will be held in year 2026.

Implementing Community Productivity programs

In line with the national policy of “A Thriving Nation, A Beautiful Life”, this program has been implemented under the Clean Sri Lanka program with the objective of empowering the citizens of the country through household productivity, thereby enabling them to achieve a higher quality of life. This program is scheduled to be carried out 2025 - 2027 period, focusing on all Divisional Secretariats. Based on key components such as education, economy, health & sanitation, household management and social well being, cultural and spiritual development, and environmental conservation etc., the project aims to create the nation enriched with knowledge, skills and attitudes, while developing model villages across the country.

Symposium on Productivity

This program commenced in 2024, and is scheduled to continue in year 2025 and 2026. The submitted research papers will be evaluated by an expert panel and published as a part of the symposium proceedings.

NPS Certification Body conducted in collaboration with Asian Productivity Organization

This program is implemented to accredit productivity professionals in accordance with the standards of Asian Productivity Organization. It provides opportunities for productivity professionals in Sri Lanka to integrate into the international value chain.

Citizen Mirror - Divisional Productivity Index - 1.0

This initiative will assess the effectiveness of Divisional Secretariats, which are recognized as the most important public service delivery institution in Sri Lanka. The initial phase commenced in 2024 and implementation mechanism will be in 2025 - 2026 period.

4. Export Growth and Promotion

Achieving Record Export Earnings

- Promoting diversification of export goods and services and providing necessary infrastructure facilities are also being carried out in 2025.
- Furthermore, services such as export finance facilities, certifications, demand trends of goods, assistance in finding new markets, information on products and global value chains are being provided to exporters.
- Sri Lanka's total export revenue as of September 2025 was recorded at USD12.96 billion, representing a growth of nearly 7% compared to 2024.

Export Development Ministerial Committee

- The Export Development Ministerial Committee met for the first time in 28 years under the patronage of the Hon. President. Through this intervention, sustainable solutions were provided to the problems of exporters, and necessary steps were taken to provide essential training and market opportunities to encourage exporters.

Providing opportunities for exporters through the Foreign Embassy

- For the first time in Sri Lanka, the Export Development Board and the Ministry of Foreign Affairs have jointly initiated a program to find foreign market opportunities for exporters through the Embassy.

National Export Development Plan 2025–2029

- The EDB, in collaboration with the Asian Development Bank (ADB) under the Ministry of Industry and Entrepreneurship Development's Policy-Based Lending Programme, has initiated the National Export Development Plan (NEDP) 2025–2029. Building on the National Export Strategy (NES) 2018–2022, the NEDP provides a data-driven framework to strengthen Sri Lanka's export sector, emphasizing digital transformation, sustainability, trade facilitation, global competitiveness, infrastructure enhancement, and technological innovation.

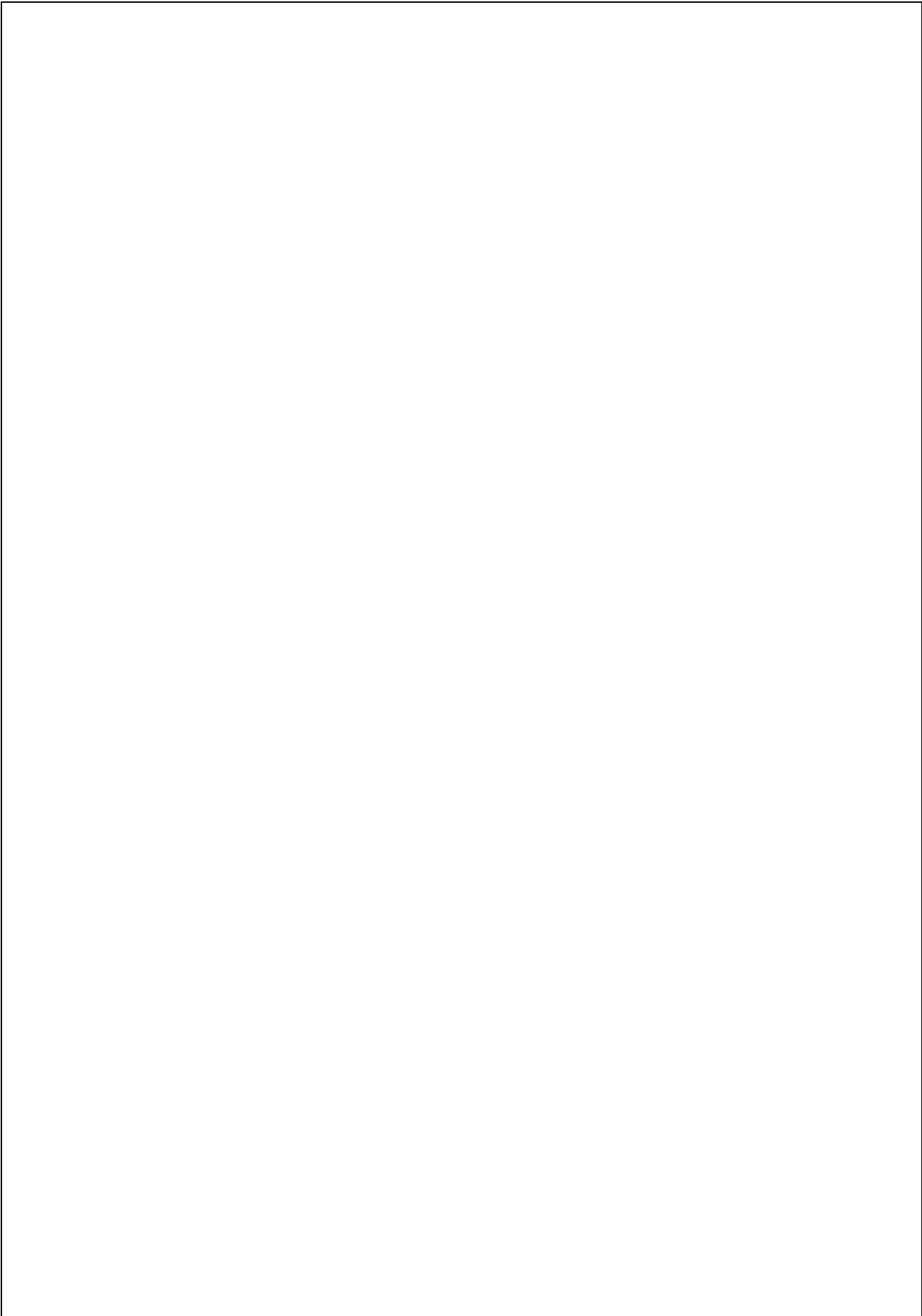
Providing opportunities for exporters to participate in exhibitions to promote exports

- In 2025, the EDB facilitated the participation of over 142 Sri Lankan companies, including 66+ SMEs, at major international trade fairs such as Gulfood, Biofach, IFE (UK), Hong Kong Gift & Lifestyle Fair, Natural & Organic Product UK, Foodex Saudi 2025, Seafood Expo Global, SIAL Canada, Japan IT Week, Thaifex Anuga Asia, and Middle East Rubber & Tyre Expo, strengthening market reach and global visibility.

5. Restructuring and Public Enterprise Development

- As per the Cabinet decision given for the Cabinet Memorandum No 24/2198/801/008 submitted on "Review of State-Owned Non-commercial Institutions," by His Excellency the President on 13.12.2024, the appointed Committee has identified institutions performing the same or similar functions and has made recommendations regarding the merger and restructuring of those institutions. In addition, the Committee has also made recommendations regarding institutions that are a burden on the government/dependent on the treasury, and the approval of the Cabinet of Ministers for the implementation of those recommendations has been received at the Cabinet meeting held on 17.03.2025.
- Accordingly, further work is currently underway to restructure the institutions under the Ministry of Industry and Entrepreneurship Development in accordance with the following Cabinet decisions taken as follows:
 - The Small Enterprise Development Division, coming under the Ministry of Industry and Entrepreneurship Development, the National Enterprise Development Authority and the Industrial Development Board of Ceylon, operate with the common objective of providing the necessary facilities for the advancement of the industrial sector in the country, as well as for the upliftment of industrialists and the provision of local and foreign market opportunities. Therefore, a detailed study should be conducted regarding the scope and functions of these 02 institutions and the Small Enterprise Development Division of the Ministry and should be amalgamated and established as a single, more effective institution.
 - Since the works conducted by the National Crafts Council, the Sri Lanka Handicrafts Board (LAKSALA) and the National Design Centre are aimed at the same objective, consolidate these as a single institution capable of achieving these objectives more effectively to enhance efficiency and align with both national trends and the international environment.
 - Implement the necessary structural reforms to establish the Gem and Jewellery Research and Training Institute as the research arm of the National Gem and Jewellery Authority.

Main Divisions



01

Policy Development Division

1.1 Introduction

The industrial sector has a significant role in a country's economic progress and serves as a key driver of sustainable development. The industrial sector, encompassing key areas such as manufacturing, construction, and mining, this sector contributes substantially to the Gross Domestic Product (GDP) and serves as a catalyst for innovation, technological advancement, and value addition. A strong industrial base not only enhances productivity and efficiency but also creates an effect across other sectors of the economy, generating employment opportunities, fostering

entrepreneurship, and strengthening linkages with agriculture and services.

A well-formulated and effectively implemented industrial policy is essential to steering the country's industrial growth in a structured and sustainable manner. Such a policy serves as a strategic roadmap that defines priorities, sets clear objectives, and creates a conducive environment for investment, innovation, and technology transfer. It also plays a critical role in addressing key challenges faced by the industrial sector, including inadequate infrastructure, limited access to finance, and shortages in technical and managerial skills.

The Policy Development Division of the Ministry involves in forming the direction and step of Sri Lanka's industrial growth. As the Division responsible for policy formulation, implementation, and monitoring, the Division ensures that industrial development is strategically aligned with the country's national economic objectives and long-term vision. Policy Development Division's work includes identifying emerging opportunities and challenges within the industrial sector, developing evidence-based policy interventions, and creating a reliable framework that promotes sustainable industrialization.

The Implementation of the National Policy for Industrial Development

Considering the lack of a suitable strategic direction for advancing the local manufacturing sector, the Ministry's Policy Development Division prepared the National Policy for Industrial Development in 2022 following extensive consultation.

This policy and its strategic action plan for implementation were prepared in line with the 17 United Nations Sustainable Development Goals, and through it, it is expected to create a conducive environment for industrial development in Sri Lanka and provide the necessary facilities to elevate the industrial sector to the level of Industry 4.0.

It is expected that this National Policy for Industrial Development will be implemented through the coordination of government institutions so that there is no conflict with other policies in the trade, land, environment, etc.

Standard Operating Procedure (SOP) for Automobile Manufacturing / Assembling Industry and Automobile Components Manufacturing Industry of Sri Lanka

One of the key functions of the Policy Development Division is to recommend Excise Duty concessions and implement supportive measures to promote the growth of Sri Lanka's automobile industry. To ensure consistency and transparency, the Ministry has introduced a comprehensive Standard Operating Procedure (SOP) that sets out clear guidelines and regulations for local vehicle assembly.

This SOP framework encourages the use of domestically manufactured components, encouraging both vehicle assembly and component production within the country. By promoting local value addition, the initiative helps create employment opportunities, develop technical skills, enhance technological capabilities, and strengthen the national supply chain, thereby contributing to the overall growth and competitiveness of the domestic automobile sector.

Formulation of National Policy for the Automobile Assembling Industry

The National Policy for the Automobile Assembling Industry aims to accelerate the domestic automobile sector's growth by fostering a supportive and competitive environment for sustainable industrial development. It seeks to attract both local and foreign investment, encourage innovation, and uphold high safety and quality standards across the domestic automobile industry. The policy places strong emphasis on advancing green mobility through the promotion of environmentally friendly technologies such as electric vehicles and the

adoption of sustainable production practices. Furthermore, it highlights the importance of skill development and the use of digital technologies to enhance efficiency, competitiveness, and adaptability within Sri Lanka's evolving automobile industry.

Local Assembling / Manufacturing of Electrical and Electronic Items

The Policy Development Division also has functions in promoting the local assembly and manufacturing of electrical and electronic items with domestic value addition. To support this initiative, the Division regularly recommends duty exemptions for locally assembled or manufactured products, particularly those classified under HS Codes 84 and 85.

These incentives encourage domestic production, enhance the competitiveness of locally made electrical appliances, and reduce reliance on imports. The steady growth of the electrical and electronic manufacturing sector reflects the country's improving industrial capabilities, marked by advancements in quality, innovation, and technology. This progress has attracted significant investments, expanded production capacity, and generated significant number of new employment opportunities.

The Implementation of National Determined Contributions (NDC) in Industry Sector

Sri Lanka, as a Party to the Paris Agreement, has submitted its updated Nationally Determined Contributions (NDCs) to the United Nations Framework Convention on Climate Change (UNFCCC), reflecting the country's progressive

commitment to climate action. Even with its low carbon footprint, the country has assured to reduce greenhouse gas (GHG) emissions through comprehensive, sector-based targets that outline mitigation and adaptation strategies, and implementation mechanisms. Under these commitments, Sri Lanka has set industry sector emission reduction targets for the period 2021–2030, supported by seven specific NDCs.

The Ministry of Industries is implementing industry sector NDCs through policy and regulatory, technical, and financial measures aimed at promoting renewable energy, and resource-efficient technologies.

1.2 Progress - At the end of September 2025

Implementation of the National Policy for Industrial Development

The Department of National Planning has stated in their observations on this policy that studies conducted around the world have revealed that land management is a key issue affecting industrial development, and that insufficient attention has been paid to it in the current policy document. They also noted the need to harmonize this policy document with the current government policies.

In this regard, a meeting was held on 29.01.2025 under the chairmanship of the Deputy Minister and the participation of the Industrial Services Bureau (ISB), the expert committee, and all the stakeholders. The revised policy document was submitted to the Ministry by the Industrial Services Bureau in April 2025 based on the facts presented there. Several

workshops have been held to aware ministry officials and officials of institutions operating under the ministry regarding the policy document.

Standard Operating Procedure (SOP) for Automobile Manufacturing / Assembling Industry and Automobile Components Manufacturing Industry of Sri Lanka

Since the introduction of the Standard Operating Procedure (SOP) for the Automobile Manufacturing and Assembling Industry, as well as the Automobile Components Manufacturing Industry in 2021, the sector has achieved notable progress over the past four years. The implementation of the SOP has facilitated structured growth, resulting in the assembly of 167,094 vehicles to date. From January to 30th September 2025, totally 70,792 vehicles were assembled, including 1,838 four-wheelers, 60 electric three-wheelers, and 68,894 two-wheelers, marking a significant milestone in domestic automobile assembly.

The automobile manufacturing and assembling industry has also contributed to employment generation and socio-economic development. Currently, 1,139 direct jobs have been created in vehicle assembly, while 1,629 additional direct jobs have emerged in the automobile component manufacturing sector. In addition, the industry has emerged numerous indirect employment opportunities across supporting areas such as logistics, distribution, maintenance, research and development, retail, and customer services.

Formulation of National Policy for the Automobile Assembling Industry

The final draft of the National Policy for the Automobile Assembling Industry has been completed, and work is now underway to prepare a detailed Strategic Action Plan to guide its implementation. This Strategic Action Plan will provide a clear framework with measurable objectives, specific actions, and defined timelines to drive the development and transformation of the automobile assembling industry.

Local Assembling / Manufacturing of Electrical and Electronic Items

In 2025, local assembling and manufacturing of electrical and electronic appliances such as refrigerators, washing machines, and freezers recorded remarkable growth. A total of 69 appliance models have been approved for local assembly, including 35 refrigerator models, 26 washing machine models, and 08 freezer models. During this year, the sector has demonstrated innovation and expansion by introducing 18 new models of electrical appliances to the local market, reflecting the growing capacity and competitiveness of domestic manufacturers.

These locally produced appliances confirm considerable domestic value addition, and local manufacturers now supply about 75% of the domestic market, significantly reducing import dependency. This progress has strengthened local supply chains, enhanced technical skills, and generated new employment opportunities, marking an important step toward industrial growth in Sri Lanka's appliance manufacturing sector.

Implementation of National Determined Contributions (NDC) in the Industry Sector

Certain sub-activities in the industry related to the seven NDCs have been implemented from 2023 to 2025. The important sub-activities implemented in 2025 are as follows.

1. Conduct Resource Efficient Clean Production (RECP) and Energy Audits
2. Adopt low-carbon technologies and processes for improved resource efficiency
3. Awareness programmes on green concepts in several Board of Investment of Sri Lanka (BOI) zones and improve water use efficiency in selected industrial subsectors
4. Building industry capacity to adopt the circular economy concept
5. Facilitate industries in selected sectors to adopt relevant ISO standards
6. Providing financial facilities for environmentally friendly investments through the Eco-Friendly Loan Scheme (E-Friends-II)
7. Updated the exiting industry sector NDC 2.0 TO NDC 3.0 (2026–2035) in collaboration with the AICRSL Project which implemented by UNIDO with funding from European Union and submitted to the Ministry of Environment.

8. MRV framework for the Industrial sector NDC was developed in collaboration with the AICRSL project
9. To prepare the first report on the Bi-Annual Transparency Report, which is to be submitted every 2 years as a State Party to the Paris Agreement, in collaboration with the relevant institutions, the section related to the industry sector.
10. Under the establishment of Eco-Industrial Parks, work to convert 16 selected existing industrial estates into Eco-Industrial Parks was initiated through the EU Green Recovery Facility, which is funded by the European Union.

1.3 Future Plans - 2026

Implementation of the National Policy for Industrial Development

The five-year strategic plan of the National Policy for Industrial Development is expected to make necessary changes in line with the current government policies. The Ministry hopes to organize training programmes for institutions operating under the Ministry and all other stakeholders to implement the National Policy for Industrial Development.

Standard Operating Procedure (SOP) for Automobile Manufacturing / Assembling Industry and Automobile Components Manufacturing Industry of Sri Lanka

The review of the Standard Operating Procedure (SOP) Version 01 is currently in progress, focusing on the challenges and practical experiences observed within the domestic automobile assembling industry over the past four years. This comprehensive review aims to evaluate the effectiveness of the existing SOP, identify gaps or ambiguities that may limit its clarity and implementation, and propose necessary improvements to strengthen its relevance and applicability.

The review process is scheduled for completion by the end of 2025, paving the way for the introduction of the revised and updated Standard Operating Procedure (SOP) Version 02 in 2026. The new version will incorporate lessons learned, address industry feedback, and provide clearer, more practical, and forward-looking guidelines to further support the growth and regulation of the automobile assembling sector.

Formulation of National Policy for the Automobile Assembling Industry

Upon the finalization of the Strategic Action Plan, the National Policy for the Automobile Assembling Industry will be formally submitted for Cabinet approval in 2026. Once approved, the policy will move into the implementation phase, guided by the Strategic Action Plan's framework to ensure effective execution of the domestic automobile industry.

Local Assembling / Manufacturing of Electrical and Electronic Items

Future initiatives in the local assembling and manufacturing of electrical and electronic appliances will focus on expanding production capacity, strengthening technological capabilities, and enhancing the overall competitiveness of the sector. The Ministry aims to foster a more innovative and sustainable industrial environment by encouraging manufacturers to introduce advanced, energy-efficient models that meet both domestic and international standards. These efforts will also prioritize increasing local value addition and minimizing reliance on imports, thereby strengthening domestic supply chains, and promoting technological self-sufficiency in the local assembling and manufacturing of electrical and electronic appliances.

The Implementation of National Determined Contributions (NDC) in Industry Sector

Most of the sub-activities outlined under the nationally determined contributions (NDCs) will continue to be implemented until 2030, with a focus on achieving long-term sustainable goals and ensuring the realization of these objectives. Major activities such as the establishment of Eco-Industrial Parks have been initiated, and these efforts will be carried forward in the coming years through the Green Recovery Facility funded by the European Union. Additionally, sub-activities that were not started in the past two years will be launched in 2026 with the support and participation of relevant stakeholder institutions.

02

Industrial Development Division

2.1. Introduction

Main Purpose/ Objectives

Mandate of the Industrial Development Division is to develop the industrial sector in regional level from which only scattered in the developed areas, thereby enhance the contribution of industrial sector to the national income. This can be achieved by establishment of new Industrial estates and creation of new employment opportunities in the regional level via developing the existing industrial estates. Further Industrial Development Division is putting its efforts to uplift industrial sector development such as, encouraging investments related to the

industrial sector at the regional level, creating new investment opportunities, providing infrastructure facilities, providing technical support and advisory services for investors.

Establishment of New Industrial Estates and Development of Infrastructure Facilities in Existing Industrial Estates

The Industrial Development Division is carrying out development activities in the industrial estates mentioned above, providing investment opportunities for investors, generating employment, adding value to exports, and promoting import substitution.

A sum of Rupees 2,000 million has been allocated for the period from January 2025 to December 2025 for the development and improvement of infrastructure facilities.

During the year 2025, fifteen infrastructure development and improvement projects were undertaken. By the end of September 2025, three development activities had been completed, while twelve projects were in progress and are expected to be completed by the end of the year. The establishment of ten new Industrial Estates have been planned, and initial work has commenced on three of them. The two Industrial Estates (Sooriyawewa & Aluithapola) currently under development is expected to be completed by the end of 2025. Five other Industrial estates (Raigama, Dambulla, Sandamalgama, Valaichchenai & Paranthan) are expected to be completed by the end of 2026, and the remaining by 2027 & 2028.

2.2 Progress - At the end of September 2025

The Ministry of Industry and Entrepreneurship Development has developed infrastructure facilities such as electricity, water supply, and access roads in 34 Industrial Estates covering a total of 1,073.8 acres of land. The Government has invested approximately Rs. 5,764.29 million in these development activities across the 34 Industrial Estates.

In addition, the private sector has invested around Rs. 76,090 million for the establishment of industrial units within these estates.

Overall summary - Industrial Estates

A. Existing Industrial Estates

Cumulative Progress as at 30 th September 2025	
No. of Industrial Estates	34
Developed Land Area (acres) (i.e. electricity, water and road system)	1,073.8
Total Investment (approximately) (Rs. Mn.)	81,345
Government Investment (approximately) (Rs. Mn.)	5,764.29
Private Investment (approximately) (Rs. Mn.)	76,090
No. of Industries in Commercial Manufacturing	434
Number of factories that are in construction stage	24
Employment Opportunities	24,376

Source: Industrial Development Division

B. Ongoing New Industrial Estates

Cumulative Progress as at 30 th September 2025	
No. of Industrial Estates	9
Land Area developing (acres)	667.15
Government Investment (approximately) (Rs. Mn.)	505.88

Source: Industrial Development Division

Industrial Development Programme

(1) Land Allocation for New Industries

No. of new project proposals approved by the RISCs	29
Project proposals that have been recommended by the Ministerial Project Evaluation Committee	23
Number of Industries that have undergone name changes	3
Number of Industries that have changed product.	2

Source: Industrial Development Division

**(2) Finance released for New Projects/
Infrastructure activities for the year 2025**

(A) Existing Industrial Estates

The Industrial Development Division has successfully carried out infrastructure development activities for new projects during the year 2025. In the following Industrial Estates, efforts are being made to enhance investment opportunities for industrialists. A sum of Rs. 243.97 million has been allocated for this purpose during the period from January to September 2025.

Existing Industrial Estates - Developing activities and estimated costs

Industrial Estate	Development	Estimated amount (Rs. Mn.)
Nalanda	Establishment of Internal Water supply system	17.2
Puttalam	Providing Water Supply	3.2
Kalutara	Establishment of fire hydrant system	1.10
Ulapane	Renovation of Drainage system from Frame Tec Ltd. To common water tank	2.61
Karadeniya	Geological Investigation for the construction of Tube well	0.07
Kolonnawa	Survey of Boundary wall	0.06
Karadeniya	Capacity determination of the Tube Well	0.26
Dankotuwa	Construction of Rain water filter system	1.0
Kalutara	Construction of gate	1.60
All Industrial Estates	Service facilitation for Industries	0.27
Kolonnawa	Boundary Survey	0.04
Udukawa	Construction of fence	1.07

Source: Industrial Development Division

Kalutara Industrial Estate

Establishment of fire hydrant system was completed 100 % at a cost of Rs.1.102 Mn.

Fire Hydrant System - Kalutara Industrial Estate



Nalanda Industrial Estate

Establishment of Internal Water supply system was completed 100 % at a cost of Rs.17.061 Mn.

Karadeniya Industrial Estate

Capacity determination of the Tube Well was completed 100 % at a cost of Rs.0.257 Mn.

(B) Ongoing New Industrial Estates

Sooriyawewa Industrial Estate

Development, including road construction, is in progress and will be completed soon. The land is ready to be allocated to investors. Total cost is Rs. 271.77 Mn.

Road Development - Sooriyawewa Industrial Estate



Raigama - Millaniya Industrial Estate

Development work, including internal roads, basic infrastructure, entrance, toilets, fencing, gates, and landscaping, is ongoing and is expected to be completed in 2026.

Development of Internal Road Raigama - Millaniya Industrial Estate



Aluthapola Industrial Estate

Development, including road construction, is in progress and will be completed soon. The land is ready to be allocated to investors by 2026. Total cost is Rs. 147.84 Mn.

2.3 Future Plans - 2026

Development of New Industrial Estates

- Looking ahead, the ongoing industrial estates at Raigama, Aluthapola, Dambulla, and Sandamalgama are targeted for completion by the end of 2026, while Katunayaka Industrial Estate is expected to be completed by 2027. Additionally, two new estates 350 acres in Kalutara (Ingiriya DS Division) and 50 acres in Batticaloa (Valachchenai) are planned for completion in 2027.
- It is anticipated that at least 50 plots will be allocated to investors in the coming year to maximize productivity and promote industrial growth.

Progress Report - 2025

**Development information of existing industrial estates up to 30th September 2025
(Cumulative)**

Name of Industrial Estate	Land size	Number of enterprises as at 31st July 2025	Total number of employees	Total Turnover (Rs. Mn.)	Government Investment Cumulative (Rs. Mn.)	Private Investment Cumulative (Rs. Mn.)
Kaluthara	55	33	1226	4951.08	127.142	4459.8
Kolonnawa	7	14	435	2532.48	36.2698	630.3
Mahara	3	7	131	6729.6	14.05	342
Matugama	50	11	556	12902.88	174.698	6351.88
Millewa	11	13	541	8009.76	97.054	604.38
Minuwangoda	15	13	628	4369.824	44.12	2926.738
Rathmalana	17	18	1,481	8527.62	89.78	4598.14
Templburg	48	38	1,904	9057	180.58	5137.2
Millaniya	24	0	-	0	929.1312	0
Buttala	18.35	18	903	2580	118.76	1575
Uva paranagama	3.3	2	16	44.4	0.81	20
Bata atha	105	20	472	2258.52	327.636	3618.97
Karandeniya	40	23	203	497.268	154.7275	1197.25
Udukawa	21.138	3	1,305	6380.028	50.93	861.8
Embilipitiya	22.86	4	210	963.12	98.98	238
Galigamuwa	23.57	8	342	1972.8	184.69	812
Nalanda ellawala -1	36.38	22	361	825.36	80.345	1602.35
Nalanda ellawala -2	45	29	467	1097.4	126.017	1109.85
Dankotuwa	52.07	33	1,748	18914.76	138.798	4879.6
Dhambadeniya	10.15	3	807	4360.8	38.36	2032.07
Makadura east	27.19	2	686	12840	35.79	10630
Makadura west	84.23	17	1,099	21948.36	143.58	5465.71
Nikaweratiya	2.56	1	935	1134	6.12	1029.07
Nurani	15.84	7	558	2538.84	12.579	881
Puttalama	40	15	180	409.2	249.585	786
Laksha uyana	70.94	17	984	10689	176.04	3612.5
Nalanda (matale)	25	17	1,318	6530.4	98.321	2495.89
Ulapane	25	20	845	4168.2	139.882	4503
Trincomalee	50	10	1,921	1609.2	511.07	1892.3
Ampara (Nawagampura)	20	12	35	80.4	48.48	216.5
Baticalo	24.03	0	-	0	241	0
Mannar	24	1	1,184	19991.64	351.775	1056.08
Welioya	40	3	895	3267.6	206.41	491.81
Mahawa (Ridibendiella)	17.21	0	0	0	21.54	32.5
Total	1,073.82	434	24,376	182,181.54	5,255.05	76,089.69

Source: Industrial Development Division

Information on new industrial estates up to 30th September 2025 (cumulative)

Industrial Estate	Land Area (Acres)	Government Investment Cumulative (Rs. Mn.)
Aluthapola	7.899	147.84
Dambulla	64	46.325
Sooriyawewa	20	271.77
Katunayaka	100	7.276
Wellawaya	9.25	8.383
Nochchiyagama	50	0.477
Sandamalgama	16	21.587
Ingiriya	350	2.138
Valaichchenai	50	0

Source: Industrial Development Division

03

Thrust Area Development

Development Division – 1

3.1. Introduction

Among the 21 main production sectors that provide service facilities under the Ministry, the agricultural

industry development activities are under division

1. Development programs related to processed food, tea, spices, coir-related products, packaging industries, milk and milk-related industries, and gem and jewellery-related industries are implemented under this sector.

Main objectives

1. To promote local industries to produce quality goods that can face competition in the international market.

2. Identify the local market needs and develop industrial sectors accordingly.

Activities

- Implementation of development programmes planned to develop relevant sectors under the Socio-Economic Development Programme for following years.
- Preparation and implementation of development plans and strategies in consultation with the advisory committees which consist of the private sector manufacturers, exporters and academia

- To study the global trends related to production and sales in the relevant sectors and implement development strategies using them.
- Discuss issues and problems faced by industrialists and find solutions in consultation with the advisory committees and other relevant institutions.
- Coordination of relevant line ministries, General Treasury, chambers of commerce, private sector associations and taking necessary measures to develop industries.
- Arrangements to provide necessary facilities for modern technology training and research activities required for industries through local and international industrial institutions.
- Facilitate product diversification and transfer of new technical knowledge through the coordination of industrialists, universities and research institutions.
- To introduce new technology required for local industries through organizing local and international exhibitions and assist in developing local and foreign markets for those industries.
- Provide Facilities to import input raw materials on a duty-free basis required to produce export goods to encourage export goods.
- Support industries to obtain international quality certifications to improve the products to meet international standards.

3.2 Progress - At the end of September 2025

Programs to be implemented

- The exports of industries are encouraged through the facilitation of duty-free imports of raw materials under the Temporary Import Scheme for Export Processing (TIEP). As of September 2025, TIEP facilities have been granted to 263 industries directly and indirectly involved in the value addition of products across various sectors, including packaging, processed foods, spices, coir-based products, tea, gems and jewellery, as well as dairy and dairy-based products. Additionally, recommendations have been given for 456 letters.
- Accordingly, the Ministry supports offering tariff concessions on the import of raw materials that enhance value addition in the industrial sector. This will provide the necessary support to the local products exported to face competition in the international market.

Quality Improvement Programmes

- The Ministry implemented quality and productivity improvement programmes for industries to obtain quality, safety and system certificates (ISO 9001, ISO 14001, ISO 22000, ISO 50001). The industry which completes the programme successfully can reimburse the total certification cost maximum up to Rs 300,000/- (including consultancy fee) after submission of the certificates to the Ministry. Under this programme, 58 industries representing processed food packaging, value-added tea, value-added spices and coir industry sectors were selected to provide facilities for the year 2025.

- Financial facilities will be provided for industries which have successfully completed ISO certification

Quality and Productivity Improvement programmes



- The Ministry has implemented a financial assistance program for obtaining Good Manufacturing Practices (GMP) certificates for small and medium-scale industries engaged in food production. GMP certificates for selected industries should be obtained from the Sri Lanka Standards Institute (SLSI) or an institution accredited for GMP by the Sri Lanka Accreditation Board. In the year 2025, 27 industries were selected for this program. Out of which, a maximum of Rs. 100,000 will be provided to industries that complete the certification process successfully.

Sales Promotion Programmes

The Ministry, in collaboration with the Sri Lanka Food Processors Association, successfully concluded the Profoods/Propack exhibition on 22, 23, and 24 August 2025 at the Bandaranaike Conference Hall (BMICH).

This exhibition featured around 250 local and foreign industries participating in 380 exhibition booths, including a special exhibition pavilion at concessional rates for selected small and medium-scale industries.

Profoods/Propack exhibition



- Measures have been taken to hold the "Lanka Pack 2025" exhibition on the 23rd, 24th & 25th of October 2025 at the BMICH to increase foreign market opportunities for local packing industries. A large number of Small and Medium-scale packaging manufacturing industries are participating in this exhibition. Through this, they will be able to create the initial background required to establish new business relationships for their creative products and increase product orders.



- This exhibition is held with the aim of creating opportunities for local industrialists to gain new technical knowledge and experience in packaging and to improve the packaging industry in Sri Lanka. The Ministry organizes the exhibition in collaboration with the Sri Lanka Institute of Packaging (SLIP). Along with this, measures have been taken to hold the packaging convention.

3.3 Future Plans - 2026

1. Preparation and implementation of development plans for the respective sectors based on the suggestions and opinions of the advisory committees of the industrial sectors.
2. To assist the marketing exhibition programs and international trade fairs to promote the products of manufacturers engaged in the processed food industry and the packaging industry.
3. Implementation of Industrial Productivity and Market Competitiveness Improvement Programme (ISO 9001, ISO 14001, ISO 22000, ISO 50001) for the processed food, packaging, tea, coir, dairy and dairy-related products and spice sectors.
4. Implementation of Good Manufacturing Practices (GMP) Certification programme to improve food safety in small-scale industries.
5. Taking necessary steps to improve the facilities needed to increase exports of value-added products.
6. Implementation of programmes to acquire modern technologies and to improve skills of the small and medium scale industries.
7. Implementation of the facilities providing project to upgrade packaging technology of small and medium-scale industrialists engaged in food production.
8. Taking necessary measures to identify employees' skills and gaps for the development of human resources in the industrial sector.
9. Implementing training programs to align local products with international market standards by enhancing the technical knowledge of craftsmen in the gem and jewelry sector.
10. Facilitating the creation of research and internship opportunities in various industries for final-year university students.
11. Providing recommendations to the National Tariff Review Committee regarding solutions for tax-related issues affecting industries.

04

Development Division – 2

4.1. Introduction

Main Objective

The main objective of this sector is to provide the necessary facilities to strengthen local industrial sub-sectors and thereby create a situation where they can conquer the international market by producing high-quality and productive goods.

Sectors under the purview of the Division

- Rubber and plastic related manufacturing industries
- Ceramic, tile, granite, and roofing tile manufacturing industries
- Boat and accessory manufacturing industries
- Vehicle assemble and vehicle accessory manufacturing industries
- Wood and wood-related manufacturing industries
- Electrical and electronic goods manufacturing industries
- Paint, printing materials and chemical manufacturing industries
- Mineral-related manufacturing industries

Main Functions

- Collaboration with the public sector, educationists and industrialists in preparing plans for developing industrial sub-sectors.
- Providing necessary advice and facilities to understand technical, management and production-related issues.
- Coordinate with local and foreign chambers of commerce, state-owned corporations, companies and other institutions which fund industrial development.
- Implementing necessary programs to introduce an advanced technological strategy for increasing productivity and value addition.
- Implementing programs to provide local and foreign training to improve the capabilities and efficiency of the employed workers to increase productivity in the manufacturing industry sector.
- Facilitate to encourage export-oriented industries.
- Providing recommendations to the Ministry of Finance and other relevant government institutions to provide necessary solutions to tax and non-tax issues affecting industrial sectors.
- Providing facilities to industrialists to maintain their industries through activities such as providing visa recommendations for foreign workers, providing recommendations for Temporary Import for Export Processing (TIEP),

providing recommendations for the import of raw materials required by industries whose import is temporarily restricted, and providing recommendations for tax concessions and tax exemptions for the import of raw materials required to industries.

- Under this, 166 TIEP recommendations, 125 visa recommendations, and 108 recommendations for tax concessions and tax exemptions have been given during the period from January to September 2025.

4.2 Progress - At the end of September 2025

Boat and Boat Accessories Manufacturing Industry Division

Project to establish a boat launch(Boat ramp/slipway) in Beruwala for the boat manufacturing industry

The preliminary procurement process for the project to establish a boat launch at the Beruwala Fishery Harbour with facilities for launching newly manufactured boats, has been completed. A contractor has been selected and the construction work is expected to be completed in 2026. The expected cost of this is Rs. 76 million and the Ministry has planned to bear the cost.

Increasing export revenue in the boat manufacturing sector, increasing employment opportunities, and growth in the tourism industry are expected benefits of this project.

Project to establish a boat launch(Boat ramp/slipway) in Beruwala



Wood and Wood-Related Products



Wood and Wood-Related Products Industry Division

• Moratuwa Wood Product Artisans Technical Skills Enhancement Project

Many wood product artisans in the Moratuwa area still use outdated techniques. They need to be trained in modern wood product techniques to keep up with the changing demands of the industry. Lack of modern skills and knowledge leads to inefficient production processes, which in turn increases production time and costs. Outdated skills and inefficient production processes often result in low-quality products, which can lead to reduced customer satisfaction and loss of market share.

Accordingly, this project is being implemented to improve the essential technical knowledge of wood processing among wood-related manufacturing craftsmen in the Moratuwa area and improve the practical skills required to operate wood processing machines.

It is expected that 40 wood-based manufacturing craftsmen in the Moratuwa area will be trained under this project in 2025, and the Ministry has planned to bear the expected cost of Rs. 02 million

1.3 Future Plans - 2026

- Implementing a program in collaboration with the National Cleaner Production Center (NCPC) to provide support to businesses to utilize resources with maximum efficiency by minimizing material waste, energy waste and water waste in industries.
- Carrying out further work on the proposed boat launch to be established at the Beruwala Fisheries Harbour with the necessary facilities
- Providing financial support for holding an international trade fair for the boat manufacturing industry sector with the aim of increasing the number of new industries accessing the international market, increasing the number of industries adopting new technology, and improving foreign exchange earnings from exports and maritime tourism.
- Policy decisions and infrastructure development: Implementing a program to identify the potential of automotive electronics and chip manufacturing for export in Sri Lanka.

05

Development Division 3

5.1 Introduction

Main objective

To promote and facilitate the following industries and sub-sectors for the production of high-quality goods that can compete in international market competition.

- Footwear, leather and leather products related industries
- Pharmaceutical industry
- Cosmetic industry
- Metal-related industries
- Garment-related industries

Main Activities

- Convene of the Ministerial Advisory Council meetings, discuss development strategies, provide necessary advice and implement them
- Formulate and implement development plans and projects for industrial sub-sectors.
- Coordinate with line ministries, trade associations, federations and universities to promote industrial sectors.

- Facilitate skill development in selected industrial sectors.
- Educate and facilitate industrialists to increase their market share through free trade agreements.
- Providing facilities for investment promotion and marketing activities.
- Facilitation through the temporary Import for Export Processing (TIEP) to encourage exports and recommend visas for foreign professionals required by industries.
- Provide visa recommendations for foreign workers required for the above industrial sub-sectors
- Submitting necessary recommendations for providing tax concessions on the import of raw materials required for local industries.
- Providing necessary facilities for local manufacturing industries to obtain international standard certificates to face global market competition.
- Providing recommendations for the export of scrap metals that have been legally permitted.
- Providing policy support for metal-related industries to obtain the necessary raw materials.

5.2 Progress - At the end of September 2025

- The Footwear and Leather Goods Exhibition, held annually since 2007, was successfully held at the Bandaranaike Memorial International Conference Hall on 6,7,8 and 9 February 2025. There were approximately 262 stalls of local footwear and footwear-related manufacturers.

Footwear and Leather Goods Exhibition



- An awareness program on the preparation of a risk management plan for manufacturing industries was held at the Postgraduate Institute of Management on 25.07.2025 with the participation of about 40 industrialists.
- The CNCI Achievers Award -2025, organized by the National Chamber of Commerce of Sri Lanka in collaboration with the Ministry of Industries, is scheduled to be held on 23.10.2025.

- Financial facilities will be provided for the establishment of a laboratory facility to conduct human repeat patch tests for cosmetic products at the University of Colombo, and the signing of the MOU and the establishment of the laboratory are scheduled for 2025.
- In addition, the recommendations given to industrialists by the development sector 3 to continue their production activities and quantitative data on the committees held are presented in the table below.

Description	Sub-sector	Quantity
1. Raw Hide Recommendations	Footwear Sector	13
2. Recommendations for tax concessions	Footwear Sector	161
3. Price Committees	Metal Sector	06
4. Advisory Committees	All Sectors	18
5. VISA Committees	All Sectors	27
6. Apparel Export Recommendations	Apparel Sector	805

Source: Development Division 3

5.3 Future Plans - 2026

- The Ministry of Industries expects to sponsor the Footwear and Leather Goods Exhibition in 2026 as well, which has been held annually since 2007.
- Sponsorship for the annual CNCI Achievers Award in the year 2026.
- An awareness program on Business Continuity Management (Disaster Management Program) is scheduled for industrialists.
- Since the establishment of the laboratory facility for conducting human repeat patch tests for cosmetic products at the University of Colombo is scheduled to be completed in 3 years, its other activities are expected to be implemented in 2026.

06

Industrial Registration Division

6.1 Introduction

The major target of the Industrial Registration Division is to register of all manufacturing industries under the Industrial Promotion Act No. 46 of 1990. Accordingly, every person who carries a manufacturing industrial undertaking should register their factories under Ministry of Industries and a Certificate will be issued by the Ministry for satisfied industries which helps the industrialists to reap benefits from a vast range of areas.

Currently, registered industries are classified under 09 major categories which are mentioned below.

- 31-Food beverage & tobacco products
- 32-Textile wearing apparel & leather products
- 33-Wood & wood products
- 34-Paper products, publishing and printing
- 35-Chemical, petroleum, coal rubber and plastic products
- 36-Non-metallic mineral products
- 37-Basic metal products
- 38-Fabricated metal products, machinery and transport equipment
- 39-Manufactured products not elsewhere specified

6.2 Progress - At the end of September 2025

A total of 4,078 manufacturing industries have been registered under the Ministry of Industries and Entrepreneurship Development up to 30th September 2025. The distribution by district is as follows:

District	Number of Registered Industries
Colombo	1,880
Gampaha	873
Kalutara	278
Kandy	131
Matale	46
Nuwara Eliya	9
Galle	103
Matara	96
Hambantota	46
Jaffna	20
Kilinochchi	2
Mannar	4
Vavuniya	9
Mullaitivu	2
Batticaloa	27
Ampara	26
Trincomalee	13
Kurunegala	175
Puttalam	114
Anuradhapura	20
Polonnaruwa	19
Badulla	14
Monaragala	7
Rathnapura	97
Kegalle	67
Total	4078

Source: Industrial Registration Division

Sector-Wise Registration (January–September 2025)

Between 1st January 2025 and 30th September 2025, the Ministry received 118 applications for industrial registration. Of these, 89 industries were successfully registered under the nine defined sectors.

Sector	Number of Industries
31 - Food, Beverages & Tobacco Products	28
32 - Textiles, Wearing Apparel & Leather Products	9
33 - Wood & Wood Products	4
34 - Paper Products, Publishing & Printing	6
35 - Chemical, Petroleum, Coal, Rubber & Plastic Products	18
36 - Non-Metallic Mineral Products	4
37 - Basic Metal Products	1
38 - Fabricated Metal Products, Machinery & Transport Equipment	9
39 - Manufactured Products Not Elsewhere Specified	7
Total	89

Source: Industrial Registration Division

Month	Applications Received	Certificates Issued
January	20	2
February	16	15
March	18	11
April	12	15
May	8	9
June	10	13
July	11	8
August	8	16
September	15	0
Total	118	89

Source: Industrial Registration Division

While the number of registered industries has shown a gradual increase, a decline in registrations was observed up to 30th September 2025 compared to the corresponding period in 2024. This reduction is primarily attributed to incomplete documentation submitted with applications, resulting in delays in the issuance of certificates. Additionally, discrepancies between the number of applications received and certificates issued occur because applications from previous months are often processed in subsequent periods.

System Modernization

The Ministry has successfully transitioned from a manual registration system to an online registration platform, significantly improving efficiency and accessibility for industrial stakeholders.

6.3 Future Plans - 2026

- Enhance the efficiency and user experience of the online industrial registration system.
- Minimize delays in processing and approval through better coordination between regional and central offices.
- Strengthen data management and monitoring for improved decision-making.
- Conduct stakeholder awareness programs to improve compliance with registration requirements.

07

Project Management Unit (PMU)

7.1 Introduction

The Project Management Unit (PMU) which comes under the Ministry of Industry and Entrepreneurship Development, implementing two loan schemes namely Small and Micro Industries Leader and Entrepreneur Promotion Project III- Revolving Fund (SMILE III Revolving Fund) and Environmentally Friendly Solution Fund Project II (E-Friends II) Revolving Fund Loan Scheme for the SME's throughout Sri Lanka.

1. Small and Micro Industries Leader and Entrepreneur Promotion Project III - Revolving Fund (SMILE III Revolving Fund)

The SMILE III Revolving Fund is granting low-interest rate loans to establish new enterprises or to enhance either productivity or their level of operation & improve quality of their products.

The loan scheme will also provide for improvement of organizational capacity and product development of SME's. This loan scheme was implemented with effect from 1st of May 2012, in consultation with Ministry of Finance and Planning with the following objectives.

Objectives.

- To assist Small and Micro scale Enterprises (SMEs) financially either to start or to expand economically or financially viable projects.
- To provide capital to Small and Micro scale Enterprises (SMEs) in developing managerial, accounting and technical skills of SMEs.
- To strengthen the institutional capabilities of intermediary financial institutions.

The project is granting sub loans to the entrepreneurs through 10 Participating Credit Institutions (PCIs), Bank of Ceylon, People's Bank, Regional Development Bank, Commercial Bank, Hatton National Bank, Seylan Bank, National Development Bank, Sampath Bank, Sanasa Development Bank and DFCC Bank.

2. Environmentally Friendly Solution Fund Project II (E-Friends II) Revolving Fund Loan Scheme

The Environmentally Friendly Solution Fund Project II (E-Friend II) is providing loans to low interest rate in order to assist industrial enterprises to implement the projects for waste minimization, resource recovery, energy savings, and pollution control. The project has also assisted industries to comply with the regulations and a standard stipulated by the National Environmental Act.

The project is granting sub loans to the entrepreneurs through 11 Participating Credit Institutions (PCIs), Bank of Ceylon, People's Bank, Regional Development Bank, Commercial

Bank, Hatton National Bank, Seylan Bank, National Development Bank, Sampath Bank, DFCC, LOLC and People's Leasing Company. This loan scheme was implemented in 2018, in consultation with Ministry of Finance and Planning.

7.2 Progress - At the end of September 2025

1. Small and Micro Industries Leader and Entrepreneur Promotion Project III - Revolving Fund (SMILE III Revolving Fund)

Allocation for the year is Rs. 4000 Mn. During the review period, the PMU has released sum of Rs. 1306 million for the sub projects of 201 through the 10 PCIs and allocated fully amount.

2. Environmentally Friendly Solution Fund Project II (E-Friends II) Revolving Fund Loan Scheme

Allocation for the year is 1500 Mn. During the review period, the PMU has released sum of Rs. 396 million for the sub projects of 44 through the 11 PCIs and expects to disburse fully amount during the year.

7.3. Future Plans - 2026

1. Small and Micro Industries Leader and Entrepreneur Promotion Project III - Revolving Fund (SMILE III Revolving Fund)

The Project Management Unit has requested Rs. 4250 Mn. for the year 2026 and expected to disburse approximately for the sub projects of 375 creating nearly 2500 new employment opportunities.

2. Environmentally Friendly Solution Fund Project II (E-Friends II) Revolving Fund Loan Scheme

The Project Management Unit has requested Rs. 1750 Mn. for the year 2026 and expected to disburse approximately for the sub projects of 110. The loan scheme is expected to create an eco-friendly industrial environment by providing financial assistance for resource savings, resource recovery, recycling of waste for other industries, wastewater treatment, recycling and energy savings etc.

08

Public Enterprises and Restructuring Division

Public Enterprises and Restructuring Division

The following state enterprises operate under the Public Enterprises and Restructuring Division of the Ministry, and this division provides the necessary support to ensure these enterprises function successfully and sustainably.

Institutions functioning under the Division

- Lanka Sugar Company (Private) Limited
- Gal-Oya Plantations (Private) Limited
- Sugarcane Research Institute
- Lanka Phosphate Limited
- National Productivity Secretariat

- Sri Lanka Export Development Board
- Ceylon Ceramics Corporation
- BCC Lanka Limited

Objectives

- To revive and restructure state-owned enterprises that have the potential to make a profit but are currently inefficient.
- To maximize profits by introducing new technology to the production activities of state-owned enterprises, improving the production process, and increasing the quantity and quality of products through value addition.

- To obtain the contribution of local and foreign private investors for state-owned enterprises under the Public-Private Partnership (PPP) method.
- To manipulate state enterprises to increase their contribution to the gross domestic product.
- To provide guidelines for the efficient management of the physical and human resources of state enterprises.
- To take steps to close down state institutions that are currently loss-making and identified as unprofitable.

Main Functions

- Supervising and directing the administrative and development activities related to the enterprises under the division.
- Executing development projects that can be implemented through the public-private partnership system.
- Managing activities related to development projects that adhere to the regulations imposed by the General Treasury.

11.2 Progress - At the end of September 2025

Lanka Phosphate Company Limited: As per the Cabinet decisions regarding the implementation of the value addition project for rock phosphate mined by Lanka Phosphate Company Limited under the Public Private Partnership model, further work is currently underway by calling for expressions of interest to select a suitable investor.

Lanka Sugar (Private) Company Limited: From January 2025 to 30th September 2025, Lanka Sugar (Private) Company Limited has produced 25,000 metric tons of sugar and 5,330,977 liters of ethanol (ENA).

The Cabinet has decided to provide financial assistance of Rs. 1 billion to the Lanka Sugar (Private) Company Limited to overcome the financial difficulties currently faced by the Company. The Treasury has provided Rs. 200 million to the Lanka Sugar (Private) Company Limited by September 2025.

The Cabinet has approved the implementation of the project to develop selected locations in the Pelwatte and Sevanagala sugar factory premises of the Lanka Sugar (Private) Company Limited under the Public-Private Partnership method to create tourist attractions. Accordingly, further activities are being carried out.

Furthermore, as per the Cabinet decision, a committee has been appointed to identify the beneficiaries(sugarcane farmers) to compensate for the crops damaged by the fire at the Sevanagala factory of the Lanka Sugar (Private) Company Limited, and further work is being carried out in this regard.

Galoya Plantations (Pvt) Ltd.: From January 2025 to September 2025, the company has produced 13,000 MT of sugar and 3,206,427 liters of ethanol (ENA). Additionally, the Secretary to the Treasury granted the company a license for a Liquor Bottling Plant through the letter dated 20 February 2025. Relevant preparations for this project are currently underway.

Sugarcane Research Institute: Further work is being carried out as per the Cabinet decisions to establish a national-level research institute by merging 14 institutions related to the field of research and development.

Ceylon Ceramics Corporation: Ceylon Ceramics Corporation was established under the State Industrial Corporations Act, No. 49 of 1957.

In January 1990, the ceramics division was privatised, and the Tiles and Bricks division continues under the name of 'Ceylon Ceramics Corporation'.

Current Status

Ceylon Ceramics Corporation has 09 factories across Sri Lanka, of which only two(02)factories in Eragama and Mahiyanganaya are currently operating, and mainly produce tiles and bricks for the local market.

The Cabinet of Ministers has approved the implementation of the Eragama, Mahiyanganaya, Uswewa and Oddusudan factories under Public-Private Partnership (PPP) as per Cabinet Decision No. අමස 25/0809/810/028/5/26 dated 26/05/2025.

To operate these factories under Public-Private Partnership (PPP), a report is being sought from the Geological Survey and Mines Bureau on the clay deposits located on the land owned by the factories. Additionally, during the progress review meeting held at the Ministry of Industries and Entrepreneurship Development on 13.08.2024, it was decided to establish industrial estates in the We-Uda, Yatiyana, Bingiriya, Elayapattu, and Bangadeniya areas.

B.C.C. Lanka Limited: B.C.C. Lanka Limited was incorporated on 21/10/1988, as a public company under the provisions of the **Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act, No. 23 of 1987.**

B.C.C. Lanka Limited manufactures and sells refined coconut oil, white coconut oil, toilet soap, laundry soap, washing powder, dishwashing liquid, disinfectants, air fresheners, and handwash to the local market. Additionally, the company generates significant income by offering office and storage facilities to both the public and private sectors.

- To provide necessary facilities for modern projects by converting existing building premises and creating an eco-friendly industrial environment.
- To prepare the necessary arrangements to manufacture and sell products that are currently purchased and sold outside the company.
- To implement awareness programs through print and electronic media to draw public attention to BCC products and to make BCC products easily available to the public.
- To enter trade agreements with new supermarket chains to increase sales potential and take necessary steps to promote sales.
- BCC plans to install a solar panel system using nearly 85,000 square feet of ceiling/roof space within the premises and to directly contribute to the government in achieving sustainable development goals.

Export Development Board (EDB): The Export Development Board (EDB) of Sri Lanka was established under the Sri Lanka Export Development Act No. 40 of 1979 as a state agency for promoting and developing the country's exports. The Export Development Board (EDB) aims to increase export earnings to USD 36 billion by 2030, of which USD 28 billion is expected to be earned from the export of goods. Discussions have taken place regarding the implementation of a strategic plan and the restructuring of EDB's internal functions to achieve the target of USD 28 billion by 2030.

EDB Performance and Progress (January - June 2025)

- Development Budget 2025 - Rs. 300 million
- Financial Target (January - June 2025) - Rs. 110.68 million
- Expenditure (January - June 2025) - Rs. 67.24 million
- Physical Target (January - June 2025) - 59%
- Physical Progress (January - June 2025) - 38% of Annual Target

Restructuring of Institutions Under the Ministry: As per the Cabinet decision given for the Cabinet Memorandum submitted on "Review of State-Owned Non-commercial Institutions," by His Excellency the President on 13.12.2024, the appointed Committee has identified institutions performing the same or similar functions and has made recommendations regarding the merger and restructuring of those institutions. In addition, the Committee has also made recommendations regarding institutions that are a burden on the

government/dependent on the treasury, and the approval of the Cabinet of Ministers for the implementation of those recommendations has been received at the Cabinet meeting held on 17.03.2025. Accordingly, further work is being carried out.

National Program to Develop 1000 Young Entrepreneurs (4i Project)

- As the primary objectives of the national program to develop 1000 young entrepreneurs empowering young entrepreneurs in the SME sector by improving their knowledge, skills, attitudes and competitiveness to successfully access the global market and identifying and providing solutions to the barriers and challenges they face in order to facilitate their transition to the export market, Small and medium-sized enterprises are supported with new management skills, productivity tools, and techniques for business growth.
- Interviews were conducted to select entrepreneurs under the project criteria covering 17 districts, and 713 entrepreneurs were selected from the interviews. After the field inspection conducted by the District Secretariats, 504 suitable entrepreneurs were selected for this program.
- The inauguration ceremony for these selected entrepreneurs is planned to be held at Waters Edge under the patronage of the Minister of Industry and Entrepreneurship Development and with the participation of officials of the Ministry and the entrepreneurs selected for Phase 1 of this project. Accordingly, the Ministry is expected to undertake the necessary activities to develop these young entrepreneurs and expand their business activities to the export market.

11.3 Future Plans - 2026

- Implementation of the Eppawala Rock Phosphate Value Addition Project under the Public-Private Partnership Model.
- Restructuring of 11 institutions under the Ministry.
- Implementation of the Eragama, Mahiyanganaya, Uswewa and Oddusudan Factories of the Ceylon Ceramics Corporation under the Public-Private Partnership (PPP) model.
- Enhance the export value and volume across various regions to strengthen their contribution to domestic export performance.
- Encourage and support more businesses to engage in export activities in all districts and expand overall exports.
- Ensuring inclusive growth and a steady flow of quality goods for export by creating efficient supply chains that connect rural producers and suppliers with exporters.

09

Traditional Industry, Gem and Jewellery Division

9.1 Traditional Industry

9.1.1 Introduction

This division operates with the aim of promoting traditional and rural industries and batik and handloom industries.

The provisions have been allocated to this division for the implementation of development programs in 2025 as follows;

- Traditional and Rural Industry Promotion Program (Rs. 100 million)
- Handloom Industry Promotion Program (Rs. 20 million)

9.1.2 Progress - At the end of September 2025

Traditional and Rural Industry Promotion Program (Rs. 100 million)

- **Establishment of Timber Design and process Innovation Center**

This project is being implemented with the aim of producing qualified craftsmen in Timber-based industry.

Further, the project aims to improve the technology, new designs, research and innovation for the development of Timber based industry

The Katubedda Mechanical Carpentry Center, belongs to the National Crafts Council, is being renovated under this project. Furthermore, this project plans to purchase new machinery and carry out essential repairs to existing machinery, and will also develop sanitation facilities for students.

The enrollment of new students for the year 2026 will take place in September this year.

- **Local and foreign Market promotional programs for rural and traditional industries**

Local market promotional programs

09 local market promotion programs have been conducted in collaboration with government institutions in the districts of Kuliyaipitiya, Colombo, Ratnapura, Badulla, Jaffna, Kandy, Batticaloa, Anuradhapura and Polonnaruwa, thereby providing opportunities for artisans to sell their handicrafts.

The number of artisans benefited 253.

The development of the Galle Sipnara and Pallekele handicraft centers of the National Crafts Council has also been carried out through this project and all the planned tasks have been completed.

(Expenditure Rs. 5.503 million)

- **Handloom and Textile Industry Promotion Program (Rs. 20 million)**

- **Implementing research and development programs for the batik and textile industries.**

The aim of this project is to promote the use of natural dyes identified through a joint research conducted by the National design Centre and the Sri Lanka Institute of Nanotechnology for the batik and textile manufacturing industry.

Further, the project expects to commercialize the natural dyes identified to the industrialists in the Batik and textile manufacturing.

In this regard, the Traditional Industry Development Division has planned to hold awareness programs and promotional programs in Kandy in November 2025.

- **Implementation of market promotional programs/sales promotional programs on batik and handloom textiles products**

Awareness workshops were held in the areas of product development, product diversification and supply chain strengthening for artisans, entrepreneurs and relevant government officials involved in the textile industry as follows.

Southern Province - 20 and 21 June at Galle Kadawathsatara Divisional Secretariat
(100 beneficiaries)

Western Province - 26 and 27 June, Negombo Etthukala, Shilpa Lanka Institute
(80 beneficiaries)

Central Province - 22 and 23 August, Katugastota Nawayalathenna Provincial council Training Centre
(100 beneficiaries) (Expenditure Rs. 1.827 million)

**Southern Province - Awareness Workshop at Galle
Kadawathasatara Divisional Secretariat**



- **Implementation of “Revisiting the legacy of Traditional Designs in Sri Lanka”**

The aim of this project is to preserve the creative and artistic works that constitute the historical and cultural heritage of Sri Lanka in the digital space and this project is implemented by National design Centre (Expenditure Rs. 2.00 million)

- **Implementing capacity development programs to encourage export-oriented products**

This project is planned to enhance the skills of tailors scattered throughout the country and prepare them as producers of goods for the export market. The professional knowledge of the selected beneficiaries will be identified through a pre-assessment test and the knowledge gap will be filled through training. After completing the gap filling training they will be post-assessed and awarded national vocational qualifications.

This project is implemented by the Sri Lanka Institute of Textiles and Apparel. So far, 287 beneficiaries have been assessed and award them with National Vocational Qualifications.

9.1.3 Future Plans - 2026

I. Implementation of “Revisiting the legacy of Traditional Designs in Sri Lanka”

This project is proposed to preserve the creations and artistic works that embody Sri Lanka's cultural heritage in the digital space and to prepare the necessary background for launching new creations based on historical creations, protecting cultural heritage and promoting artistic identity.

II. Establishment of a technical pool for the repair and maintenance of handlooms and other equipment used in the handloom manufacturing industry.

The handloom textile manufacturing industry in this country operates as a micro and small-scale industry, and products with high quality designs and unique patterns are offered to the market through this industry. There is a high price and good demand for it in the market.

There is a need in the sector for a pool of skilled technicians capable of repairing and maintaining hand tools and other equipment used in this industry. To meet that need, this project is planned to be implemented in 2026.

III. Conducting a market research on local apparel and related industries including handloom and batik products

Sri Lanka's local apparel and related industries, including handloom and batik industry contributes to the country's national economy and it creates employment opportunities. Further it also adds value to traditional heritage

However, no market research has been conducted to date on the extent to which this industry sector has been updated in line with current market patterns and modern consumer needs.

Information and data is important to understand market trends and patterns for the industrialists, manufacturers, business people who engaged in the sector.

Accordingly, a market survey is planned to be conducted in 2026 with the aim of analyzing the local and international market trends, identifying consumer demand, and collecting information on artisans, businessmen, manufacturers, and exporters.

IV. Implementation of a raw material management program for Batik and handloom manufacturing sector.

This project is planned to be implemented in 2026 with the aim of minimizing the shortage of raw materials in batik and handloom industry and providing raw materials to small and medium-scale entrepreneurs at a concessional price.

9.2 Gem and Jewelry Industry

• Gems and jewelry Economic contribution of the industry

30 September 2025 , the export value earned through the export of gems, jewellery and diamond products is US\$ 284.86 million, which is a decline compared to the export value earned as of 31 December 2024 of US\$ 355 million. This is mainly due to the increase in tax rates, and discussions are underway with the relevant sectors to obtain tax relief with the aim of minimizing this deviation.

National Gem and Jewellery Authority data

Export Value - As of 30 Sep 2025		
Export production	Export Value (USD Million)	%
Gem	152.61	53.57
Jewelry	13. 46	4.7 3
Diamond	11 8 . 78	41. 70
Total value	284.86	100

• Exploration and evaluation of new gem deposits in Sri Lanka

It is estimated that more than two-thirds of Sri Lanka's land area , or about 70%, contains gem deposits . Only 20% of these resources have been explored to date .

Under this situation, the exploration of new gem deposits has been identified as a priority task, and the Gem and Jewellery Research and Training Institute is working to explore new gem deposits using new technology.

Under this project in the year 2025 The preliminary gem potential mapping of the Ingiriya, Dehi Ovita , Ayagama and Pelmadulla Divisional Secretariat Divisions has been completed and the relevant reports are scheduled to be submitted to the Board of

Directors for approval. Crisis facing Sri Lanka, the attention of the Parliamentary Sectoral Oversight Committee on the Impact of the Economic Crisis was drawn to the future measures that can be taken to beneficially market the untapped gem resources spread across the island, and the gem resources located in the tanks that have dried up due to the current dry weather conditions in the country. Attention has been drawn to the possibility of harvesting under scientific methods, following environmentally friendly and safe methods. Under the first phase, district level committees have been appointed to prepare a methodology for harvesting gem resources in the area around the Samanala Wewa reservoir in the Imbulpe Divisional Secretariat Division of the Ratnapura District and in the area around the Maussa Kele and Castlereagh reservoirs in the Ambagamuwa Divisional Secretariat Division of the Nuwara Eliya District and further work is being carried out.

• Enhancing professional skills in the gem and jewelry sector

The target number of students for the year 2025 is 1,528 . Meanwhile, 1077 students have been enrolled as of September 30, 2025. The number of students who completed the courses this year is 412 and 665 students are still studying the course.

Around 20 different training courses in the gem and jewellery sector are being conducted at 15 training centres across the island, working to provide the skilled labour needed by the industry.

• Discuss the problems faced by gem and jewelry manufacturers and take steps to provide solutions.

Steps have been taken to regularly discuss with gem and jewelry manufacturers to provide solutions to the problems they are facing and their suggestions.

• Carrying out the necessary work to amend the National Gem and Jewellery Authority Act.

Revised draft bills have been prepared incorporating the views and suggestions of relevant stakeholders, and work is underway to further study them and obtain Cabinet approval.

• Investigating public complaints related to the gem and jewelry industry.

Out of the 49 complaints received in the year 2025 related to the gem and jewellery industry, 06 have been responded to and investigations are underway regarding the remaining complaints. A new methodology is being developed to make the investigation of public complaints more efficient.

- So far in 2025, 09 appeals have been received regarding gem mining, Two of them have been examined and completed. Necessary steps are being taken regarding the remaining appeals.
- Arrangements were made to coordinate and facilitate the holding of an International Gem and Jewelry Trade Fair in Sri Lanka in January 2024, and steps have been taken to direct Sri Lankan businessmen to trade fairs and conference pavilions held in foreign countries.

- The Gem and Jewellery Research and Training Institute as the Research and Training Division of the National Gem and Jewellery Authority, and a committee has been appointed to study and report on how the said merger should be carried out. The said committee is currently preparing the relevant report.

9.2.3 Future Plans - 2026

- Taking necessary steps to double gem and jewelry export revenues compared to 2025 .
- Making the necessary coordination to hold an international level gem and jewelry exhibition in Sri Lanka.
- Creating the necessary background for the implementation of the joint project for the exploration and evaluation of new gem deposits in Sri Lanka.
- Sri Sri Lanka Regional Gem A center into Appointment Doing For In Sri Lanka Meet Not Gem Types With Gem Squad High Coordination of activities required for raising Doing .
- Gem Thermoregulation , value More To do And Laboratories Facilities Related Research Setting the stage for the event.
- Creating the necessary environment to create entrepreneurs in the gem and jewelry sector.
- Developing vocational training courses in line with the trends in the gem and jewellery sector and taking steps to increase the number of trainees recruited and establishing new training centres as required.
- Establish a formal coordination mechanism with private and public institutions engaged in the gem and jewelry sector.
- Amending the ordinances and gazettes of the institutions operating under the Ministry as per the current needs.
- Making appropriate amendments to regulate and develop the industry .

10

Entrepreneurship Development Division

10.1 Introduction

The Entrepreneurship Development Division (EDD) operates with a mandate to foster the growth and sustainability of Small and Medium-sized Enterprises (SMEs) across Sri Lanka. Anchored in the national vision of creating “A Thriving Nation – A Beautiful Life,” the Division functions within a comprehensive SME Development Strategy Framework designed to support enterprises throughout their lifecycle—from identification and incubation to scaling and integration into global markets.

EDD is committed to address systemic challenges faced by Sri Lankan entrepreneurs, through a 11-pillar strategic framework, which facilitates an enabling ecosystem that empowers SMEs to become competitive, growth-oriented, and export-ready enterprises. These strategic pillars include SME database mapping, lifecycle support structures, national incubator model, market access matrices, industry and market research, recognition programs, relationship management programs, access to capital, entrepreneurial education, and SME advisory committee.

The EDD actively collaborates with national and international partners to enhance SME development. Partnerships with organizations such as the Sri Lanka Institute of Marketing (SLIM) support capacity building, market research, and recognition programs, while institutions like the Asian Development Bank (ADB) and the International Labor Organization (ILO) provide technical guidance on policy formulation, regulatory reforms, and institutional alignment. Collaboration with the Ministry of Digital Economy and private sector platforms further strengthens digital onboarding and workflow process improvements. To ensure cohesive policy development and implementation, the EDD contributes to establishment of Inter-Institutional Coordinating Committees at national, district, and divisional levels. These committees foster collaborative engagement across key ministries, addressing critical issues and aligning efforts to deliver comprehensive SME support. Additionally, the EDD is spearheading the development of a new National SME Policy, guided by data-driven research, international best practices, and extensive stakeholder consultation, thereby ensuring policies are contextually relevant and impactful.

EDD plays a leading role in the consolidation of Industrial Development Board, National Enterprise Development Authority, and Small Enterprise Development Division of the Ministry, streamlining mechanisms for SME support. Complementary initiatives, such as the Business Regulation Simplification, further reflect the Division's commitment to enabling faster, simpler, and more transparent pathways for entrepreneurs to establish and grow their businesses. Through strategic coordination, policy guidance, and partnership-driven initiatives, the Entrepreneurship Development Division remains at the forefront of nurturing a vibrant, resilient, and globally competitive SME ecosystem in Sri Lanka.

10.2 Progress - At the end of September 2025

Key area	Output	Outcome	KPI	Progress as at 30/9/2025
Development of a digital platform for SME support services	SME platform developed and operationalized	Efficient delivery of support services to SMEs	Percentage completed	10%
Creation of a unified institution, amalgamating SEDD, NEDA and IDB to increase efficiency and avoid duplication	Creation of unified institution finalized	Enhanced service delivery to SMEs	Percentage completed	30%
Develop a mechanism to identify the issues of SMEs at grassroots level and provide solutions	District committees established. Inter-institutional coordination committees established	Improved identification and resolution of SME challenges	Number of district committees formed	6
Development of an Incubator Model for the country with NEDA to remove barriers and support innovation	National incubation network established	Remove barriers & Improved opportunities for SME innovation	Percentage completed	10%
Support SMEs to help SMEs transition from local fairs and markets to international platforms	Structured market access matrix developed and implemented	Enhanced market access for SMEs	Percentage completed	10%
Transforming development officers to Relationship officers and brand analysts	Certified Relationship officer program executed Certified Brand Analyst program executed	Improved and targeted SME support through improved capacity of officers	Number of officers trained	120
Development of the SME Finance Access Platform	Capacity building of officers to improve credit worthiness of SMEs	Improved access to finance	Number of officers trained	TBD
Setup SME advisory committee and convene meetings	SME advisory committee formed	Strengthened policy guidance and strategic direction for SME development through multi-stakeholder expertise and collaboration	Number of meetings	4

Progress Report - 2025

Key area	Output	Outcome	KPI	Progress as at 30/9/2025
Development of Strategic SME Development Framework	Strategic SME development framework completed	Guide SME policies, programs, and institutional coordination for long-term sector development.	Percentage completed	100%
Formulation of SME Policy	SME policy formulated and approved	Clear direction, regulatory alignment, and an enabling environment for SME growth.	Percentage completed	10%
Business Name Registration simplification	Unified guideline for business name registration is formulated	Reduced administrative delays, improved ease of doing business and business formalization	Percentage completed	30%

10.3 Future Plans - 2026

The Ministry will lead the formulation of the National SME Development Policy, mainstreaming with the overarching National Industry Policy Framework, in order to ensure an integrated and coherent approach in promoting entrepreneurship and enterprise development initiatives of both public and private sectors. The establishment of a unified national institution for industrial and entrepreneurship development, by completing the amalgamation of existing agencies would set a transformation that will create a single, coordinated platform to deliver policy direction, financial access, incubation, capacity building, and market facilitation. By professionalizing officers into business consultants, brand analysts, and loan specialists, and by grooming high-growth, export-potential SMEs, the Ministry will ensure SMEs are equipped to compete globally. Through

strengthened innovation, reduction of regulatory and operational hurdles, and recognition of ecosystem partners, The Ministry will position SMEs as a vital contributor to exports, employment, and sustainable national growth.

11

Planning Division

11.1 Introduction

- The key role of the planning division is to assist in the identification of effective projects by providing guidance for planning, progress review and monitoring of development projects that are conducive to the advancement of the industry.
- Prepare the action plan as per annual approved budget allocations and review the progress of the development programs implemented accordingly, prepare relevant progress reports and conduct progress review meetings and carry out all coordination activities related to the progress of the government departments, corporations and government enterprises under the ministry

11.2 Progress - At the end of September 2025

- Annual Action Plan was prepared for the year 2025.
- Prepared Progress Review/Monitoring Plan 2025.
- Prepared the capital budget of the Ministry 2026.
- Making necessary arrangements for the Strategic Implementation Road Map 2026-2030 (preparation of guidelines, formats, etc.).

Progress Report - 2025

- Steps have been taken to guide all the departments and institutions under the Ministry to prepare performance agreements that include performance indicators (KPIs) and to enter into agreements with the relevant heads of departments/institutions, with the Secretary to work in accordance with those agreements. The progress of implementation of the activities in accordance with those agreements will be reviewed.
- As the focal point of the public sector for Sustainable Development Goal (SDG) No. 9, the information requested by the Sustainable Development Council has been submitted.
- Conducting Progress Review Meetings

Two quarterly joint progress review meetings have been held under the guidance of the Project Operations and Management Department. Through this, the progress of development programs/projects implemented by development divisions, corporations, departments and public enterprises for the year 2025 has been reviewed.

To review the progress of the institutions closely monitored by the supervisory divisions of the Ministry, necessary guidance has been provided to hold progress review meetings under the leadership of those divisions and with the participation of the Planning Division.

- As a solution to the problem of lack of data required for decision-making in the industrial sector, steps have been taken to prepare and publish the Industry Data Book - 2023, which is prepared annually. Data has been compiled for this Industry Data Book based on the 20 sub-sectors according to the Ministry's industry classification. The data identified from institutions such as the Department of Census and Statistics, Sri Lanka Customs, etc., has been compared with data from several years, and relevant information has been presented.
- Performance review analysis reports of public enterprises have been published on the website of the Ministry.
- 2024 Annual Performance Report was submitted to Parliament.
- All activities to submit the progress report for the year 2025 to the Parliament is in the final stage. (For Budget Committee Stage Debate)
- Relevant reports have been submitted promptly in requests made from time to time by various institutions such as the Department of National Budget, Central Bank of Sri Lanka, Presidential Secretariat, Department of Project Management and Monitoring, etc..
- The results framework for this ministry has been prepared in accordance with the guidance provided by the Department of Project Management and Monitoring, and the approval of the Cabinet has been obtained.

- Nearly 190 development programs, projects, and activities related to the 80 commitments of this ministry have been incorporated into the Ministry Performance Monitoring System (MPMS). This online system, implemented by the Presidential Secretariat, is designed to monitor the execution of the commitments outlined in the government's policy statement, "A Thriving Nation - A Beautiful Life."

Progress up to the second quarter of nearly 40 programs/projects/activities has also been included.

- To address the need for evaluating development programs and projects implemented by the Ministry, work is currently in progress to assess selected industrial estate development programs for the year 2025 under the supervision of the Department of Project Management and Monitoring. Steering committees have been established for this purpose, and the necessary documents (Terms of Reference) for procurement activities have been prepared.

11.3 Future Plans - 2026

- Preparation of the Ministry's annual action plan in line with the Strategic Implementation Road Map 2026-2030.
- Implementation of progress review/monitoring plan regularly and efficiently.
- Entering into performance agreements between the Ministry Secretary and the Heads of Divisions/Institutions for the year 2026 and guiding other officers within the relevant Divisions/Institutions to implement the same methodology.
- The plans for programs, projects, and activities carried out by the Ministry and its subordinate institutions in 2026 should be included in the MPMS online system established by the Presidential Secretariat in line with the commitments outlined in the Government Policy Statement, and progress should be reported promptly.

12

Administration Division

12.1 Introduction

The Administration Division, which operates as one of the main divisions of the Ministry, prepares the year's action plan for the Administration Division at the beginning of each year according to the goals and objectives prepared in accordance with the overall goals and objectives of the Ministry. Accordingly, during this year, the Administration department identified some specific areas that should be given priority. Accordingly, the tasks performed are as follows

- 1) Empowering staff through fulfilling proper training requirements and maintaining the legal process efficiently, providing necessary legal advice to the Ministry and institutions when necessary.
- 2) To assist in increasing the overall efficiency of the Ministry by maintaining the process of transport sector.

- 3) Organize programs for the staff to improve their emotional and spiritual wellbeing.
- 4) Effectiveness of duties through proper management of daily mail delivery.
- 5) Organising awareness programs on modern and energy-saving physical facilities and adapting to them.
- 6) Taking measures to reduce the expenses of the Ministry, such as electricity and water.
- 7) To carry out parliamentary activities more systematically and efficiently, such as submitting Cabinet memorandums, sending answers to parliamentary questions, coordinating sectoral oversight committees and advisory committees, by coordinating the relevant departments of the Ministry.
- 8) Increase overall efficiency through process analysis and human capital enhancement.

12.2 Progress - At the end of September 2025

As the Administration division one of our key tasks is to identifying training needs of the employees and make opportunities to get training and development. In addition, the administrative division provided the necessary facilities and guidance to the officers nominated and selected for foreign training programs. Furthermore, to enhance the efficiency of the Ministry's institutional and administrative systems, it was able to identify the problematic areas in those subjects, correct them and implement relevant management and coordination tasks to increase productivity.

12.3 Future Plans - 2026

According to the Extraordinary Gazette No. 2412/08 dated 11.25.2014, it has been planned to carry out the duties to be performed by the Administration Division in the year 2026 in order to perform the overall duties more effectively as per the scope, functions and tasks of this Ministry. The primary objective of the Administration Division is to utilise the physical and human resources quantitatively and qualitatively effectively to achieve the main goals and objectives of the Ministry. Accordingly, it has also been aimed to convert several internal control systems of the Ministry into a digital system as appropriate for the year 2026.

13

Finance and Procurement Division

13.1 Introduction

Provide the necessary financial support related to the achievement of the ministry's mission of “Encourage diversified, high value-added, innovative industrial products, use of eco-friendly sustainable methods, high market access opportunities and industrial development that benefit through the creation of a conducive environment based on technology, knowledge and innovative thinking” with the Ministry of Finance and other institutions. The organizational structure and main functions of the finance division are as follows

Main functions

1. Entering all recurring and capital vouchers received by the Ministry into the ITMIS computer system and making arrangements to receive funds from the Department of Treasury Operations and making payments for those vouchers according to the Financial Regulations, Establishment Code and circulars.
2. Payment of salaries and allowances of the officials of the Ministry through the GPS computer system and provide disaster loans, special advances and festival advances to the

Progress Report - 2025

officials under the advance B account of the government officials.

3. Preparation of annual delegation of financial control powers according to F.R.135.
4. Enter all audit inquiries and reports received by the Ministry in the Audit Inquiry Register and report the relevant information to the Auditor General and Parliament.
5. Preparation of annual budget related to all recurrent expenditure and rehabilitation and improvement of capital assets and purchase of assets of the Ministry.
6. To carry out all financial control activities of Regional Industrial Service Centres.
7. Update daily receipts and payments in the CIGAS computer system and submit all annual financial statements including monthly account summary to the Treasury and Auditor General.
8. Updating and maintaining fixed asset register through the CIGAS computer system.
9. Preparation of annual financial statements of the Ministry.
10. Conducting annual board of survey and sending related reports to the Auditor General.
11. To perform the following functions related to procurement

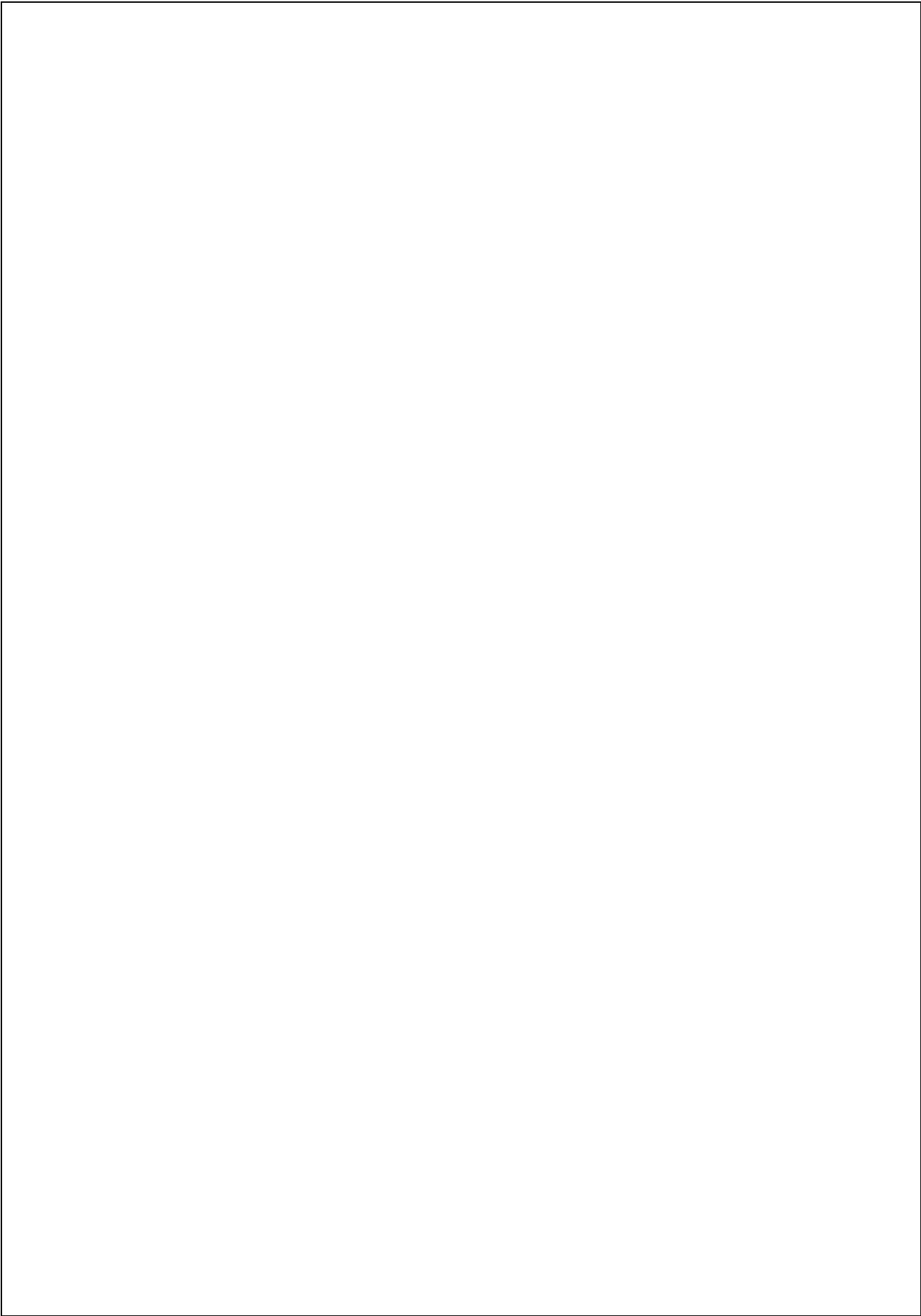
- Conducting procurement under the market price comparison method through the E-Promise system.
- Carrying out activities related to the purchase of all office stationery and office equipment required by the Ministry.
- Monitoring of departmental procurement activities.
- Properly prepare and send the necessary reports to the National Procurement Commission
- Preparation of procurement plan and action plan for the Ministry
- Supervision of procurement activities of Regional Industrial Service Centers

13.2 Progress - At the end of September 2025

Further work is underway to conduct the Ministry's annual Board of Survey through a barcode reader. As a preliminary step, assets located within the Ministry will be assigned unique barcode numbers, and this will allow for a quick and accurate verification of these assets using a barcode reader. Consequently, the annual inventory survey can be completed efficiently, with greater accuracy and in less time.

Additionally, as directed by the Ministry of Finance, approximately 85% of the procurements conducted by the Ministry under the Shopping method are now being carried out through e-promise.

Department, Statutory Institutions and Public Corporations



14

Department of Textile Industry (DTI)

14.1 Introduction

Department of Textile Industry is entrusted with generating the human resource equipped with knowledge and skills necessary for the handloom textile sector of Sri Lanka and regulating, supervising and coordinating the affairs of the sector.

The Department of Textile Industry is tasked with performing the following activities in order to achieve the objectives through textile industry training institutes and designing schools established under the Department

01. Providing and organizing information to support the formulation of policies for the growth of the handloom textile sector.
02. Developing the human capital required for the handloom textile industry's growth:
 - The Public sector (Provincial Councils)
 - The Cooperative sector
 - The Private sector
03. Formulating programmes aimed at product development:
 - Value-added products
 - Product diversification

04. Conducting the initiatives required to promote the handloom industry and increase its market penetration

05. Organising projects, self-employment programmes and support services aimed at expansion and promotion of handloom textile industry,:

- Entrepreneurship development programmes
- Design development programmes
- Programmes for training of trainers
- Training programmes associated with the subject of textile weaving
- Entrepreneurship development programmes targeting the trainees of textile industry training institutes
- NVQ certification programmes

06. Holding exhibitions to promote handloom textiles by highlighting unique trends and high-quality items in the sector

07. Evaluation of the crafts persons in the field by conducting the National Handloom Textile Competition

08. Carrying out the research and development tasks to advance the handloom textile industry and

09. Conducting conservation activities relevant to the sector.

To accomplish the objectives outlined above, the Department manages the following institutions and projects:

- Research, Training, Design and Service Institute, Katubedda

- Textile Industry Museum, Katubedda
- Textile Industry Training Institutes
- Design Training Institutes and
- Handloom textile projects.

The Head Office manages all administrative matters of the Department of Textile Industry, which includes the Administration Division, Accounts Division, and Development Division.

14.2 Progress - At the end of September 2025

Physical Progress

The overall physical progress of all development programmes carried out under the Department is **75%**.

- 59 trainees were recruited for the academic year 2025/2026 of the one-year full-time course for the National Handloom Textile Certificate, and its studies have commenced. Approximately 80 students who followed the same course in the academic year 2024/2025 engaged in the relevant field at present.
- 07 Handloom Textile Industry Design Training Workshops were conducted under in-service training courses. 77 crafts - persons and instructors involved in the field were trained through these courses.
- 02 training programmes on value addition for Handloom Textile products were conducted, and 39 trainees were trained.

- 14 training courses were conducted targeting persons who are involved in Handloom Textile Industry in rural areas, 238 trainees were trained.
- 8 Rural Handloom Textile Self-Employment Projects are currently training 71 beneficiaries. These project programmes, which include a 6-month full-time course, are held in Kalalpitiya, Ellakkala, Pelapitiyagoda, Sooriyawewa, Kithulampitiya, Kamburupitiya, Matale, Kuruwita, and Wademada areas. Female participation in these projects, aimed at rural women's empowerment, is over 90%, and support is provided to start self-employment ventures after training.
- A resource pool for training was established to develop the skills of those engaged in the Handloom Textile sector at rural level. 14 training programmes were conducted under this in the Eastern, Southern, and North Central Provinces.
- Samples have been created for a book containing weaving patterns, aimed at conserving and popularizing the unique weaving methods and designs of the Handloom Textile sector.
- The Provincial Handloom Fabric Competition, held concurrently with the National Handloom Textile Exhibition, has concluded. The judging of the National Competition is scheduled for October 24, 2025. The National Handloom Textile Exhibition, Awards Ceremony, and Sales Fair are scheduled to be held on December 12, 13, and 14, 2025.

- Under new research, Handloom product samples have been prepared using various raw materials, which can be purchased by consumers at affordable prices.
- Repair work on the ceiling of the Boyagane Textile Industry Training Institute has been completed. Part of the roof and ceiling repair of the Katubedda Textile Industry Training Institute has been completed.

Financial Progress

The recurrent expenditure allocated through the 2025 budget was Rs. 343.3 million, and the expenditure as of September 30, 2025, is Rs. 219.2 million. This is 64% of the total recurrent expenditure. Furthermore, the allocated capital expenditure was Rs. 68.95 million, and the expenditure as at September 30, 2025, is Rs. 30.0 million. This is 44% of the total capital expenditure.

14.3 Future Plans - 2026

Handloom Textile Development Programmes and Projects

1. Starting 10 Handloom Textile Self-Employment Projects at rural level.
2. Producing 150 crafts persons who are actively involved in the Textile Industry through the above projects.
3. Programmes to guide crafts persons to obtain National Vocational Qualifications related to the Handloom Textile sector.

Training and Skills Development Programmes for the Handloom Textile Sector

1. Training 100 craftspeople who are actively involved in the Handloom Textile Industry through Textile Industry Training Institutes.
2. Introducing technological innovations to the Textile Industry sector and expanding market opportunities by capturing new, fashion-led markets.
3. Introducing new courses.
4. Developing the curricula of Textile Industry Training Institutes to be on par with National Vocational Qualification standards.
5. Conducting Training of Trainers Programmes.
6. Training 400 textile industrialist by conducting 25 in-service training programmes and design courses.
7. Introducing product diversification courses.
8. Introducing value-added product courses for Handloom products.
9. Developing 20 people as new entrepreneurs for the Handloom Textile Industry sector.
10. Conducting attitude development programmes for students at Textile Industry Training Institutes and Design Training Institutes.
11. Compiling a Design Book based on Handloom designs.

12. Conducting design workshops for those who are engaged in the Handloom Industry in rural areas.

13. Conducting short-term training programmes, seminars, and workshops required for instructors and producers engaged in the textile industry in the Provincial Public, Cooperative, and Private sectors.

Research and Development Programmes

1. Upgrading Handloom Textile equipment and accessories.
2. Expanding programmes for introducing Handloom fabrics produced using natural dyes.
3. Launching courses for fabric production using various raw materials.

Promotion Programmes for the Handloom Textile Industry Sector

1. Conducting the National Handloom Textile Exhibition and Awards Ceremony.
2. Conducting two sales fairs during the year to promote Handloom Textile products.

Textile Industry Building Development

Carrying out identified repairs to the training centres belonging to the Department of Textile Industry.

1. Repair work at the Textile Industry Training Institutes in Kirama, Boyagane, Bandarawela, and Nallur.

Self-employment projects targeting rural women



Field Training on Pallu weaving



Gampaha- Ellakkala



Gampaha -Kalalpitiya



Matara- Kamburupitiya



Cultivating turmeric for introducing Handloom fabrics using natural dyes



Creating a design book related to design creation



15

Industrial Development Board of Ceylon (IDB)

16.1 Introduction

Industrial Development Board (IDB) is committed to provide the most efficient and effective services to small and medium scale industrialists across Sri Lanka. The Industrial Development Board (IDB) was established under the Industrial Development Act No. 36 of 1969. According to this Act, the Industrial Development Board has been entrusted with the responsibility of developing the industrial sector in Sri Lanka.

Main Objectives

The objectives of the Industrial Development Board (IDB) according to the Industrial Development Act No. 36 of 1969 are as follows.

- To assist in the encouragement, promotion and development of industries in Sri Lanka.
- To assist in the proper coordination and in the interrelated growth of all industrial undertakings in the private and public sectors of the economy of the country.

- To foster industrial research with the object of utilizing the natural resources of Sri Lanka, improving the technical processes and methods used in industries and developing appropriate technologies and equipment for local industries, and discovering processes and methods for the better utilization of waste products.
- To foster the export of local industrial products to overseas markets.
- To assist in such measures in the field of international trade and regional co-operation as are necessary or conducive to industrial development.
- To provide for services and facilities of every description required by or in connection with any industrial undertaking or industrial establishment in Sri Lanka, including the provision of capital, credit, marketing, managerial, technical facilities and legal advice.

Key Activities and Functions of IDB

IDB provides services to entrepreneurs, industries start-up and existing industries encompassing following areas.

- Training and consultancy services on management and technological and engineering perspectives.
- Provide Engineering services, workshops and foundry facilities for local industries.
- Services on entrepreneurship development and supporting to build strategies for potential and promising business ventures.

- Dissemination of industrial information to industrialists, clients and IDB staff...etc.
- Providing recommendations for export of metal waste from local production.
- Providing raw materials and compounds with the knowledge required for product development for local industries.
- Provide facilitation in marketing and sales for industries.
- Facilitate developing local foundry industry and provide recommendation and coordination for export of value-added metal products.

15.2 Progress - At the end of September 2025

Annual Footwear & Leather Fair

The 15th Edition of the Footwear & Leather Fair was held with the objective of bringing recognition to the leather industry locally and internationally. The Industrial Development Board and Export Development Board, in association with the Ministry of Industries and other stakeholders, joined together to organize the Footwear and Leather Fair.

Footwear & Leather Fair



National Industry Brand Excellence Awards

This awards ceremony celebrates excellence, innovation, and leadership across various industries, recognizing outstanding brands that contribute significantly to the nation's economic and industrial growth. Beyond honoring achievements, the event aims to inspire further innovation and expansion in the Sri Lankan business landscape.

National Industry Brand Excellence Awards



Industry Expo 2025

Industry Expo 2025 was organized by the Ministry of Industry and Entrepreneurship Development in collaboration with the Industrial Development Board of Sri Lanka.

The event sought to address prevailing challenges in industrial development while acknowledging the contributions of key stakeholders to national production and their role in strengthening the economy.

Industry Expo 2025



National Medal Awarding Ceremony – Celebrating Sri Lanka's School Entrepreneurs

The Ministry of Industry & Entrepreneurship Development, in collaboration with the Industrial Development Board of Ceylon and the Ministry of Education, has commenced the National Medal Awarding Ceremony, the flagship event of the National School Industry Entrepreneurship Circles Program.

This transformative initiative nurtures entrepreneurial thinking among school children, empowering them to contribute to innovation, productivity, and industrial growth from an early age.

National Medal Awarding Ceremony



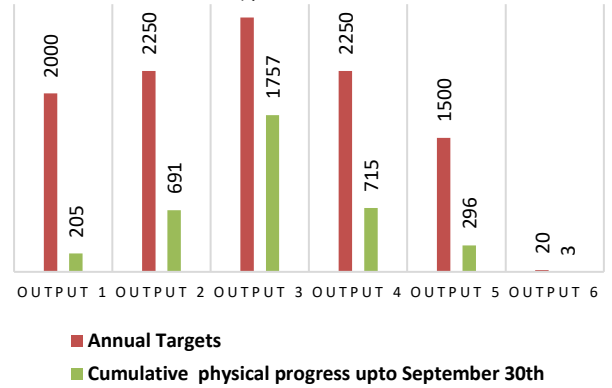
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Physical Progress

Output Description	Key performance Indicators output KPI	Annual Targets	Cumulative physical progress upto September 30 th	Physical progress (%)
1.Enabling Environment Assistance (Infrastructure & Utility related/Tariff)	No. of entrepreneurs Assistance Provided	2000	237	20%
2.Marketing Assistance (Trade Fair/ Exhibitions / Buyer seller meeting / Forward sales agreement)	No. of Assistance Provided	2250	823	20%
3.Technology Assistance / Adopt in to Energy Efficient Solutions, Energy Consumptions / Assisting to obtain product / system Standards & Certifications	No. of Assistance Provided	2850	1806	63.36 %
4.Management Assistance (Costing/Book keeping/ store keeping/ planning/ productivity development/ labour laws/ consultancy/Management consultancy)	No. of Assistance Provided	2250	715	31.77 %
5.Financial Assistance (Loans / Grants & related) Preparation of project Reports (Valuation/Technical/Feeability reports/Marketing/ Business Plan)	No. of Facilities Obtained	1500	317	19.73 %
6.Assisting to obtain Lands	No. of industries	20	3	15%
IDB Total output (physical) progress weighted % percentage		10870	3901	35.8 %

Source: Industrial Development Board

Physical Progress Upto 30th September 2025



Source: Industrial Development Board

Financial Progress Summary (30/09/2025)

Project Name	Allocation 2025	Actual Expenditure as at 30/09/2025 (Rs. Mn)
Upgrading & Modernization of Main & Mini Industrial Estates	100	87.2
Development Activities	37.365	4.0
Rehabilitation & Improvement of Capital Assets	38.155	0.192
Acquisition of Capital Assets	24.480	25.994
Total	200.00	117.39

Source: Industrial Development Board

15.3 Future Plans - 2026

- **Project for establishment of Industry Incubators in 09 provinces.**

Establishing a Startup Incubators program to assist in selecting startups to reach the market.

- **Establishing 25 sales centers covering all districts.**

Promotion of products indigenous to the district/area under each district development plan based on resource availability and market opportunities and growth potential.

- **Establishing 331 new re-engineering businesses covering all Divisional Secretariat divisions of the island.**

Facilitate direct intervention, sustainability and regulation of each industry based on its national importance to develop them.

- **New and existing industrial development programs.**

Provision of technical, managerial and market support services (An approach to provide institutional, capital, technological and market support required for industrial development through a national policy framework)

- **Project on Industrial Township in Hambanthota District**

Promotion of new local and foreign investments and entrepreneurship

- **Modernization and Development Project of IDB Industrial Estates (Elpitiya, Dodangoda, Weeraketiya, Kamburupitiya)**

Implemented under the program of facilitating Infrastructure Facilities for Industrial Estates.

(This will develop within existing Industrial Estates by utilizing unused resources.)

Summary Status Report of IDB Industrial Estates as at 30th September 2025

	Industrial Estates	District	Total Units/ Plots	Investment for infrastructure development (Rs. Mn.)	In Operation Industries	Private Investment (Rs. Mn.)	Annual Turnover (Rs. Mn.)	Emp.
1	Ekala	Gampaha	92	118.7	58	37195.5	26294.5	2558
2	Pallekelle	Kandy	111	108.33	57	14620.53	17500	1287
3	Panaluwa	Colombo	38	69.91	23	1091.65	1965.4	361
4	Horana	Kalutara	66	17.71	14	998.51	4295.8	1547
5	Wavulugala	Kalutara	14	19.9	13	261.1	459	181
6	Pussella	Ratnapura	29	15.21	9	202	185	59
7	Galigamuwa	Kegalle	12	15.33	8	214	250	84
8	Buttala	Monaragala	22	20.1	11	300	1345	450
9	Kotagala	Nuwara Eliya	60	9.79	9	287.66	605.69	152
10	Kaludewala	Matale	43	53.8	13	583	542	221
11	Mihintale	Anuradhapura	42	5.04	7	33	43.54	20
12	Nagampaha	Anuradhapura	44	24	1	10	4	3
13	Pannala - 1st Stage	Kurunegala	34	84.75	17	801	1314	212
	Pannala - 2nd stage		11		1	333	20	10
14	Lunuwila	Puttlam	17	4.9	12	83.9	175	304
15	Punthoddam	Vavuniya	64	30.57	14	147.5	146.66	114
16	Atchchuvelly - 1 st stage	Jaffna	23	192	6	417.4	275	247
	Atchchuveli - 2nd Stage		25	41.57	2	120	96	95
Total			747	831.61	275	57699.75	55516.9	7905
17	Elpitiya (New Industrial Estate – Phase B	Galle	13	37.28	11(Allocated)	0	0	0
	Elpitiya (New Industrial Estate – Phase A & C	Galle	43	75.68	09(Allocated)	0	0	0
Total			56	112.93	20	0	0	0

Source: Industrial Development Board

16

National Enterprise Development Authority (NEDA)

16.1 Introduction

National Enterprise Development Authority (NEDA) promotes supports, encourages and facilitates enterprise development within Sri Lanka with special emphasis to the Micro, Small, and Medium Enterprise (MSME) sector of the country. It is providing services such as entrepreneurship development, financial facilitation, marketing linkages, research & development and infrastructure development to entrepreneurs and Business Development Service providers. NEDA provides capacity development training to entrepreneurs; in entrepreneurship, marketing,

business planning, accounting, record keeping and productivity improvement, etc.

Objectives as per the NEDA Act.

- Stimulate the growth, expansion and development of Sri Lanka's economy by encouraging, promoting and facilitating small and medium enterprise development within Sri Lanka.
- Stimulate and encourage the establishment and operation outside Sri Lanka of enterprises designed with the view to Internationalize domestic enterprises capable of penetrating foreign markets for the fulfillment of the objectives of the act of NEDA.

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- Formulate policies, plans, and promotional incentives appropriately designed and effectively support and promote trade and development in industry and agriculture.
- Empowerment of people of human capital development with technical skills as an integral component of enterprise development.
- Develop infrastructure facilities required to meet the development needs.
- Facilitate the access of entrepreneurs to finances required for enterprise development and operation.
- Establish a Technology Development Fund to promote research and development in connection with product development, technological enhancement and commercialization of patents.
- Facilitate regional economic development.

16.2 Progress - At the end of September 2025

Project Name	Allocation	Expenditure (Cumulative) (Rs.Mn)	Key Performance Indicator	Annual Target	Physical Progress
“Upadhidari Vyavasayake Udanaya” program	9.0	0.12	Number of graduates trained on Entrepreneurship & business planning	200	404
			Number of Graduate entrepreneurs developed	30	00
Youth entrepreneurship skill Development program with Vocational training institutes	3.0	00	Number of vocational trainees trained on Entrepreneurship & business planning	200	84
			Number of vocational trainees developed as entrepreneurs.	20	0
Business Cluster Development Program	2.0	00	Number of Cluster associations/companies established	15	24
			Number of new businesses established through business cluster.	30	44
			Number of expanding existing business	75	41
“Made in Sri Lanka” Trade Fair for MSMEs	9.5	0.83	Number of “Made in Sri Lanka” Trade fairs conducted.	3	6
			Number of MSMEs facilitated through trade fair	180	250

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Project Name	Allocation	Expenditure (Cumulative) (Rs.Mn)	Key Performance Indicator	Annual Target	Physical Progress
Regional Entrepreneur Award Ceremony	8.0	0.86	Number of Regional Entrepreneur Award ceremonies conducted	5	00
			Number of Awards given to the entrepreneurs	125	00
Regional Entrepreneurship Development program	8.0	4.3	Number of trained 25000 entrepreneurs	25000	13254
			Number of 750 new business established	750	211
			Number of 1500 existing business developed	1000	350
“Made in Sri Lanka” Logo	0.5	00	Number of Entrepreneurs obtain “Made in Sri Lanka” Logo	40	20
			Products obtained Logo	50	64
District/ Regional Enterprise Forum	0.4	00	Number of District & Regional enterprise forums conducted	400	86
			Number of Business issues solved	500	145
Establishment, renovation and revitalization of Incubation Center	1.0	0.44	Number of knowledge sharing workshops	3	12
			Number of Entrepreneurs facilitates	10	20
B500 Project – Brand Development program	2.6	1.81	Number of training programs for entrepreneurs	10	6
			Number of entrepreneurs trained	250	540
			Number of entrepreneurs reached digital marketing	50	180
Online marketing for Rural Entrepreneurs	1.0	0.45	Number of suppliers registered for NEDA/ other trade portal	100	3
			Number of engagements in digital usage	400	186
Establishment of international business linkages for Sri Lankan entrepreneurs	1.0	00	Number of Business Delegation	02	00
			Number of entrepreneurs participated for the delegation	30	00
Staff Training	1.5	0.066			
Fixed Assets	2.5	1.498			
Total	50	10.374			

16.3 Future Plans - 2026

- Focus on agriculture modernization and environmental sustainability through the adoption of modern farming techniques, climate-smart practices, and eco-friendly initiatives.
- Strengthen branding and market connectivity by developing strong product identities and enhancing access to local and international markets.
- Implement a National Incubation Model to support entrepreneurship, innovation, and business growth across multiple sectors.
- Improve access to finance, taxation systems, and ease of doing business to create a more supportive environment for entrepreneurs and SMEs.
- Promote the creative economy by encouraging innovation, cultural industries, and creative entrepreneurship as emerging economic drivers.

17

Kahatagaha Graphite Lanka Limited (KGLL)

17.1 Introduction

Kahatagaha Graphite Mines

Kahatagaha Mines are located in North Western Province of Sri Lanka at Maduragoda, **Rideegama** Divisional Secretariat Division, **Dodangaslanda** in Kurunegala District, and managed by **Kahatagaha Graphite Lanka Limited (KGLL)**. It is a fully state-owned company, established under the Companies Act No. 07 of 2007, purviewed by the **Ministry of Industry and Entrepreneurship Development**.

The extent of the land of the Kahatagaha Mine is approximately 102 acres.

Uniqueness of Kahatagaha product

Sri Lanka is the only commercial source of supply of high Carbon Natural Crystalline Vein Graphite and particularly Kahatagaha Mine is capable of mining high purity Natural Vein Graphite over 99% carbon, in fully crystallized form. It is found as needles, lumps, rossets, and flakes, enjoying monopoly of high carbon crystalline vein graphite, with low ash content, having a proven reputation of world market acceptance as a unique product.

Graphite Exports

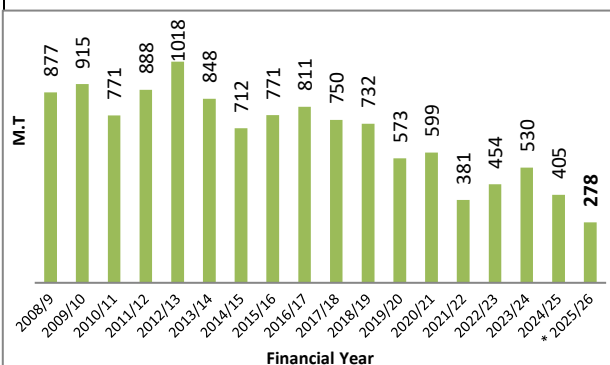
KGLL is an export-oriented Company, and in 2024/25, its major export country was JAPAN.

Objectives

“The business objectives of the company are, mining and processing of high purity quality graphite for exports and maximum value addition and developing graphite-based industries”

17.2 Progress - At the end of September 2025

Production -ROM (MT)



Source: Kahatagaha Graphite Lanka Ltd

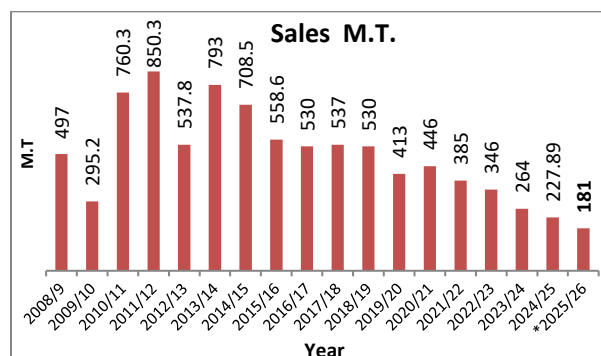
Within the current financial year of 2025/26, 1st of April 2025 to 30th September 2025, the total Graphite (Run of Mine) Production is 278M/T. Also, in 2025, from 1st of January 2025 to 30th September 2025, the total Graphite (Run of Mine) Production is 451 M/T.

- Production: Increased from 157 MT (Apr–Sep 2024) to 278 MT (Apr–Sep 2025) (+77%)

The average production target was 65 – 70 M/T per month for the financial year. The target is depending on the richness of the veins, which are open at the time, and the levels (depth), number of

underground labourers, and other development works of the mine.

Sales



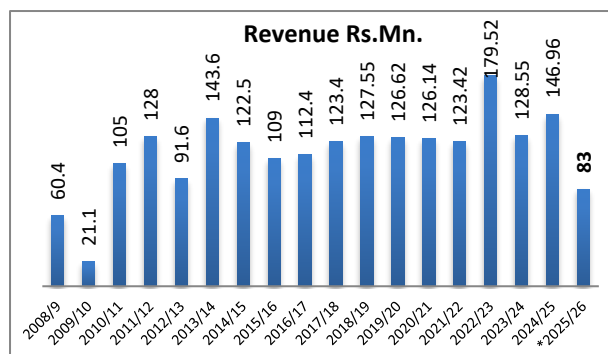
Source: Kahatagaha Graphite Lanka Ltd

Within the current financial year of 2025/26, KGLL exported 181 M/T from the 1st of April 2025 to the 30th of September 2025. Also, exported 326.41 M/T from 1st of January 2025 to 30th September 2025.

- Sales: Increased from 163 MT(Apr–Sep 2024) to 181 MT (Apr–Sep 2025) (+11%).

China currently dominates the global graphite supply chain, accounting for a significant share of both natural and synthetic graphite production. With its ability to supply at lower prices and maintain high production capacity, China has strengthened its position in the international market. Consequently, demand for natural graphite from countries such as Sri Lanka has slightly declined, as higher production costs and reduced production capacity have resulted in comparatively higher salable prices.

Income Revenue (Rs. Mn)



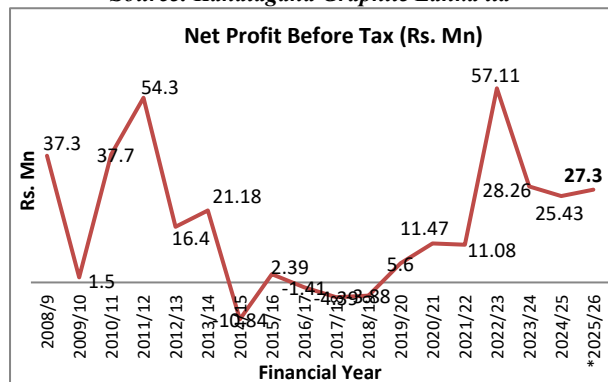
Source: Kahatagaha Graphite Lanka Ltd

Within the current financial year of 2025/26, from 1st April 2025 to 30th September 2025, a revenue of Rs. 83 Mn. Additionally, we recorded revenue of Rs. 152 Mn from January 1, 2025, to September 30, 2025.

- Revenue: Increased from LKR 62.42 MN(Apr–Sep 2024) to LKR 83 MN (Apr–Sep 2025) (+33%).

Profit

Source: Kahatagaha Graphite Lanka Ltd



Source: Kahatagaha Graphite Lanka Ltd

Within the current financial year of 2025/26, from 1st April 2025 to 30th September 2025, the company recorded a net profit of Rs. 27.3 Mn before tax. Also, recorded a net profit of Rs. 40.9 Mn before tax from 1st of January 2025 to 30th September 2025.

- Profit: Improved from LKR 16.72 Mn(Apr–Sep 2024) to LKR 27.3 MN (Apr–Sep 2025) (+63%).

Stocks

Apart from the bank and cash balance, the value of stocks in hand is Rs. 706.62 Mn, related to 1340.30 MT of current stock availability as at 31st August 2025.

Work Force

The total workforce is 100, including 49 skilled miners, 14 mechanical maintenance technicians, 9 processing workers, 6 estate workers, 4 drivers, 4 executives and 14 other office staff.

Mine Mapping and Reserve Estimation

- A full mine mapping of Kahatagaha and Kolongaha deposits was completed in collaboration with GSMB and the Ministry of Industries.
- This provides the foundation for accurate ore reserve calculations, long-term planning, sustainable production, and investment attraction.

Investor Attraction and Value Addition

- Cabinet approval has been granted to invite Expressions of Interest (EOI) for exploration, mining, and value addition at Kahatagaha.
- Initial implementation has started.

17.3 Future Plan - 2026

- The Kolongaha mine has been designated as a tourist attraction hub.
- Long-term strategy includes moving towards graphene and graphene-based products, aiming to maximize financial returns and enhance Sri Lanka's position in the global graphite industry.
- Current average monthly production varies between 50-55 metric tons. It is further planned to bring it up to 75-80 tons per month.
- Currently, the demand for natural graphite in the global market has decreased. As a result, sales of graphite have decreased drastically. It is expected to find new buyers and work to increase the expected income.

18

National Paper Company (NPC)

18.1 Introduction

The previous National Paper Corporation was, subsequently, incorporated as a National Paper Company Limited under the provisions of the Companies Act No: 17 of 1982, and is currently operating as a fully state-owned company under the provisions of the Companies Act No: 07 of 2007.

Valaichchenai Paper Mill and Embilipitiya Paper Mills are coming under the National Paper Company Limited.

Performance

- As per the approved cabinet decision No. අම/20/0561/224/015 dated 18.03.2020, production of the Valaichchenai paper mill, which was stopped in December 2014, has been resumed from July 2020 by National Paper Company Limited.

- Cabinet decision No. අමස /21/1015/320/032 dated 12.07.2021 has given the approval to lease out the land owned by Sri Lanka Mahaweli Authority where Embilipitiya Paper Mill is located (111 acres in 02 Road 33 Perches) to National Paper Company Limited for a period of 30 years on a long-term lease basis. Accordingly, the plot of land where Embilipitiya Paper Factory is located has been given to the National Paper Company for a period of 30 years from 13.10.2021 preparing long-term lease deeds.

Cabinet decision No අමස /22/0254/320/010 dated 28.02.2022 has approved to restart of manufacturing activities of the Embilipitiya paper mill, which had been stopped since 2012, under the public-private partnership system. Accordingly, the agreement between National Paper Company Limited and the investor company KSPA Embilipitiya Paper Mills (Pvt) Ltd for the above project for 30 years was signed on 09.03.2022. Production has been started after the power supply is restored.

- By December 2024, production had stopped due to machinery breakdowns, but the necessary repairs were quickly made using the necessary spare parts and the factory was restarted on January 12, 2025. Since then, improvements have been made to the machinery, improving efficiency and increasing production capacity.

- Break Even Point has been crossed by April 2025 and production capacity has been increased with an operating profit from July 2025.
- Presently this National Paper Company Limited performing in better way by manufacturing Meal Wrapping Papers, Manila Papers, Cover Paper, White Printing, Colour Paper and Writing Paper. And also Printing Papers and Wrapping Papers for Packaging Industries (55gsm - 100gsm).

Co – products were newly introduced.

- Exercise books
- CR Books
- Foolscap
- Ruled sheets
- Pirikara

18.2 Progress - At the end of September 2025

Paper production and revenue earned at Valaichchenai Paper Mill

Month	Production (M.T)	Income (Rs.Mn)
January	83.9	11.90
February	200.5	26.44
March	169.1	25.61
April	244.1	24.99
May	267.3	40.75
June	162.4	46.64
July	312.6	54.97
August	281.2	45.21
September	344.5	40.35
Total	2065.6	316.86

Source: National Paper Company

18.3 Future Plans - 2026

- Necessary steps are currently being taken to achieve a target of 500 tons per month within the next two months, and it is expected that the board machine will be repaired and the monthly paper production will be increased to 1000 metric tons.
- The Valachchenai Paper factory has 300 acres. The Paper factory has located in 100 acres. 50 acres will be given to the industrial development board for an Industrial City. Another 50 acres are proposed to be given to medium-scale industrialists for paper-related handicraft products.
- It is proposed to use the remaining 50 acres for plantation and the remaining 50 acres for the renovation of the 150 abandoned workers' houses, and to turn them into a camping site to provide services to local and foreign tourists, and to turn the steam engine- power plant built in 1951 into a museum.
- Upgrading the infrastructure facilities at Head Office and Valaichchenai Paper Mill.
- To make arrangements to clear the debtors and liabilities.

19

Lanka Mineral Sands Limited (LMSL)

19.1 Introduction

Ceylon Mineral Sands Corporation was established under the State Industrial Corporations Act No. 49 of 1957 and became a fully government owned company in 1992. According to the new Companies Act No. 07 of 2007, re-registered as a fully government owned company on 16.09.2008 under PB 587. The head office of Lanka Mineral Sands Limited is located in Rajagiriya area, and the manufacturing plant is established in Pulmoddai area of Trincomalee district.

Main role of the institution

- Processing of raw sand mining and separation of heavy mineral sands like Ilmenite, Rutile, Zircon, Garnet, Monazite, HI TI Ilmenite etc. according to physical properties.
- Export of heavy mineral sand through international tenders
- Identification and exploration of new heavy mineral sand deposits

- Conducting preliminary environmental studies or an environmental impact study to remove the heavy mineral sands present in those deposits.
- To study the economic feasibility of heavy mineral sand identified deposits
- To expand the amount of heavy mineral sand deposits owned by the institution.

19.2 Progress - At the end of September 2025

Sales as at 30th September 2025

IN NO	PRODUCT	TOTAL QTY	TOTAL INCOME
1	ILMENITE	30	2,024,176.23
2	RUTILE	0	-
3	ZIRCON	1	481,179.25
4	HITI ILMENITE	0	-
5	CRUDE MONAZITE	500	313,425,000.00
6	CURDE RUTILE OVERSIZE	15.1	1,646,659.06
7	ZIRCON CONCENTRATE	10,025	869,713,813.79
8	MAGNETITE	1.2	60,397.92
	TOTAL	10,572.30	1,187,351,226.25

Source: Lanka Mineral Sands Limited

Production

Stock as at 30th Sep. 2025

S/No	product name	Go downs & Open yard balance
1	Ilmenite (Pulmuddai warehouse)	87,645.96
2	Ilmenite(Trincomalee Port-owned warehouse)	15,000.00
3	Wet Ilmenite	6,854.00
4	Magnetite	2,958.48
5	Rutile	2,184.43
6	Hi.Ti.Ilmenite(lot 01)	3,000.00
7	Hi.Ti.Ilmenite(lot 02)	5,599.79
8	Zircon	1,003.36
9	Crude Moazite	339.89
10	Crude Rutile Oversize	6,993.70
11	Low Grade Zircon Crude	9,930.65
12	Hydrosizer Fines	4,560.75
13	Final Tailings-Lot 01	1,518.60
14	Final Tailings-Lot 02/Zircon Concentrate	23,538.96
15	New Wet Table Tailings(Stock as of 2025.09.01)	19,902.53

Source: Lanka Mineral Sands Limited

19.3 Future Plan - 2026

- Sell the existing Mineral Sand stock available at the LMSL premises in Pulmuddai, including 100,000 metric tons of Ilmenite.
- LMSL plans to explore new international markets and engage in trade agreements to increase exports, with the goal of achieving an incremental revenue increase of USD 100 million by 2026.
- Expand mining operations in Pudawakattu, Kokkilai, and Thevikkallu, implement sustainable mining practices with effective monitoring, and raise awareness about the importance and benefits of LMSL.
- Increase annual production of ilmenite, high-titanium ilmenite, zircon, rutile, and monazite, while also improving production capacity of plants and output quality.
- Develop and implement value-enhancement projects, such as the Zirconia Extraction Project and the Zircon Powder Production Project, and create joint ventures to achieve effective production operations and attract new foreign investments.
- Create approximately 1,000 job opportunities for low-income earners and Samurdhi beneficiaries in the Trincomalee District.
- Strengthen corporate social responsibility initiatives by supporting rural road development, educational assistance projects, and RO plant installation programs.
- Company introduces Preventive Maintenance Program to enhance the effectiveness and efficiency of the plant.

20

Ceylon Ceramics Corporation (CCC)

20.1 Introduction

Bricks & Tile Unit of the National small Industries Corporation was established under the Act No: 49 of 1957, State Industrial Corporation Act.

The Bricks & Tile Unit of the State Industrial Corporation was incorporated in to the Ceylon Ceramics Corporation in 1972

In January 1990 Ceramics section of the Corporation was privatized and the Brick & Tile Unit of the Corporation continued in the name of “Ceylon Ceramics Corporation”.

The Eragama factory is running on profitability, while the Mahiyangana factory was commissioned in 2023. At present, the Oddusudan factory is also being maintained by following the necessary measures for production. Here mainly flat tiles, top tiles, shade special, mm bricks, 3x9x16 bricks are produced.

Progress Report - 2025

Bricks and Tiles Factories and their locations and capacities

Factories	District (Unit)	Established Capacity	Established Year	Land Acre Size
Irakkamam (Eragama)	Ampara	1.8 million	1958	232.020
Alayapaththuwa	Anuradhapura		1964	33.2
Yatiana	Matara	3.7 million	1964	6.115
Mahiyanganaya	Badulla	1.2 million	1965	94.26
Bingiriya	Kurunegala	1.2 million	1976	3.265
Uswewa	Rathnapura	4.6 million	1981	16.3
Oddusudan	Mulathivu		1964	11.5

Source: Ceylon Ceramics Corporation

20.2 Progress - At the end of September 2025

Production

From January 2023 onwards only Mahianganaya and Eragama factories are operations.

Month	Target	Production Total	Production Percentage
January	100,000	99,673	99 7
February	90,000	57,102	63 4
March	100,000	69,671	69 7
April	80,000	20,205	25 3
May	80,000	25,070	31 3
June	80,000	77,647	97 1
July	100,000	119,039	119 0
August	110,000	120,302	109 4
September	115,000	115,849	100 7

Source: Ceylon Ceramics Corporation

Mahiyanganaya factory

Month	Target	Production Total	Production Percentage
February	7,000	2,030	29%
March	10,000	7,630	76%
April	15,000	8,230	55%
May	None		
June	5,000	1,300	26%
July	15,000	6,080	41%
August	5,000	6,080	50%
September	20,000	3,725	19%

Source: Ceylon Ceramics Corporation

Sales value of Eragama, Mahiyanganaya, Uswewa and Weuda Factories (Rs. Mn.)

Month	Total sales	Eragama Sales	Mahiyanganaya sales	Uswewa Sales	Yatiana sales	Weuda Sales
January	3.35	2.83	0.36	0.1	0.052	0.012
February	5.05	4.72	0.04	0.257	0.023	0.01
March	4.41	4.18	0.143	0.00025	0.084	0
April	4.24	3.92	0.127	0.093	0.096	0
May	8.40	8.25	0.081	0.013	0.022	0.034
June	11.55	5.54	0.1	0.0012	0.195	5.71
July	16.54	14.84	1.34	0.016	0.12	0.22
August	13.744	13.19	0.551	0.001	0.002	
September	14.819	13.5	1.23	0.074	0.015	

Source: Ceylon Ceramics Corporation

Financial Statues

Month	Total Sales	Total Cost	Profit/(Loss)
January	3.35	4.66	-1.31
February	5.05	7.15	-2.1
March	4.41	6.11	-1.7
April	4.24	8.50	-4.26
May	8.4	8.37	0.03
June	11.55	8.15	3.40
July	16.54	11.85	4.69
August	16.96	10.46	6.50
September	14.82	13.47	1.35

Source: Ceylon Ceramics Corporation

20.3 Future Plans - 2026

- It is expected to commence brick production at the Bingiriya brick and tile factory, which is currently not engaged in production activities.
- Carry out clay extraction activities and supply to Dankotuwa Tile Factory, in “Chilaw” region
- Produce Hollow bricks at the Oddusuddan factory.
- It is expected to produce Interlock bricks at the Uswewa factory in collaboration with the NERD Institute and the Industrial Development Board (IDB).

21

Lanka Phosphate Ltd (LPL)

21.1 Introduction

Lanka Phosphate Company is operated to earn foreign exchange while meeting the national phosphate requirement by optimally utilizing the Eppawala phosphate deposit.

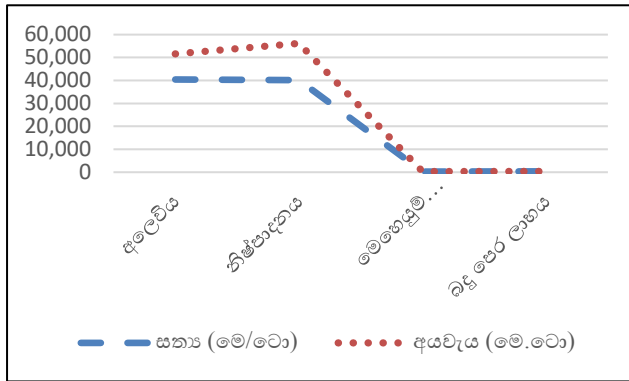
Principal Activities and Nature of Operations

The principal activities of the company are excavating, processing and selling of Rock Phosphate, which is used as a fertilizer for perennial agricultural crops

21.2 Progress - At the end of September 2025

	Actual	Budget	Variance	Achiev. %
Sales (Mt.)	40,436	51,620	(11,184)	78.3%
Production (Mt.)	40,145	56,170	(16,025)	71.5%
Operating Profit (Rs. Mn)	268.90	323.60	(54.7)	83.0%
Profit Before Tax as at (Rs. Mn)	339.90	323.60	(34.60)	90.76%

Source: Lanka Phosphate Ltd



Source: Lanka Phosphate Ltd

Assets and liabilities of the institution as of 2025.09.30

	Rs. Mn.
Current Assets	1,506.0
Total Assets	1,739.5
Total Liabilities	283.5
Net Assets (Shareholders' Fund)	1,456.0

Finished goods warehouse



Machinery and vehicles



21.3 Future Plans - 2026

- A feasibility study is being conducted to produce and market 3,500 MT of value-added coconut fertilizer per year.
- It is expected to invest about Rs. 30 Mn to expand dormitory facilities and sanitary facilities for employees.
- It has been proposed to purchase direct machinery and vehicles required for production activities and it is expected to invest about Rs. 120 Mn for this.
- Procurement activities for the construction of a finished product warehouse to expand the storage facilities have been completed and construction activities have already commenced, with Rs. 15 million paid, and the estimated cost including taxes is Rs. 90 Mn.

22

BCC Lanka Limited (BCC)

22.1 Introduction

Bcc Lanka limited was incorporated as a limited liability public company in 1988 and was transformed in to a public corporation and state owned enterprise under public Act. No- 23 of 1987 with a share capital of 10,000,000 shares held by the General treasury.

BCC Lanka is a state-controlled consumer product supplier. The company's core business is the production, sale and distribution of locally produced edible coconut oil and soap, detergents, disinfectants and other soap - based product.

Main Activities of the Company

- Refining of coconut oil
- Manufacturing of laundry & toilet soap
- Manufacturing of disinfectants & detergents
- Distributing products under the name of “BCC” to the local market through agents who were appointed by the company.
- Direct sales to Modern Trade businesses through agreements and competitive bidding procedures
- Rent out office and storage spaces which are owned by BCC Lanka Ltd.

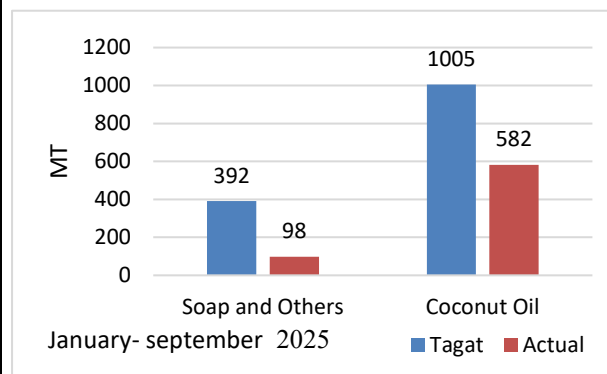
22.2 Progress - At the end of September 2025

Achevement of Financial and Physical Targets

DESCRIPTION	PHYSICAL PROGRESS (MT)			FINANCIAL PROGRESS (MN)			REMARKS
	Target	Actual	Achievement	Target	Actual	Achievement	
Soap and Others	392	98	25%	166	55	33%	Achievement of the soap comparably low due to the scarcity of soap noodles and the high prices
Coco nut Oil	1005	582	58%	920	733.38	80%	

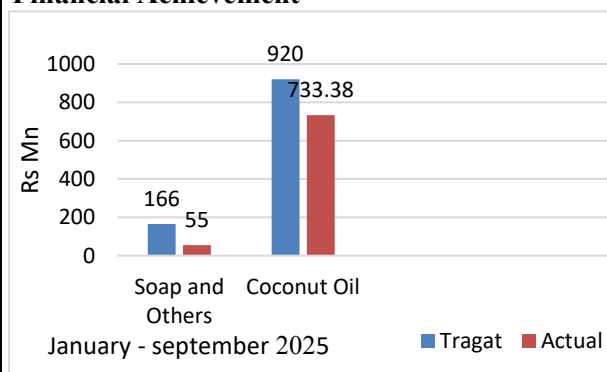
Source: Bcc Lanka limited

Physical Achievement



Source: Bcc Lanka limited

Financial Achievement

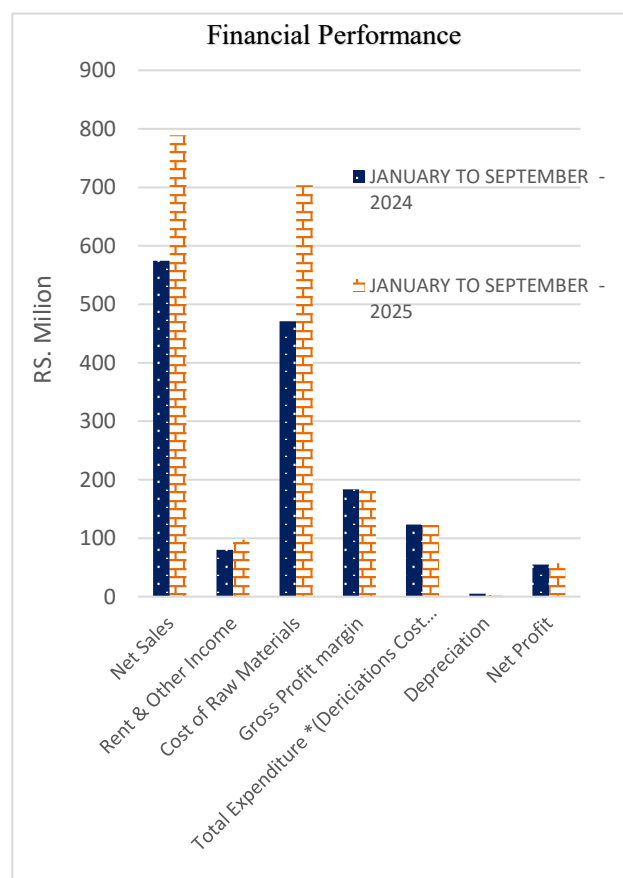


Source: Bcc Lanka limited

Financial Performance Comparison

	2025 Jan - Sep (Rs. Mn.)	2025 Jan - Sep (Rs.Mn.)	Progress of Jan -Sep 2025 Compared to 2024 in Percentage
Net Sales	574.21	789.5	37.41%
Rent & Other Income	80.27	97.42	21.36%
Cost of Raw Materials	470.96	703.52	49.38%
Gross Profit margin	183.52	182.95	-0.31%
Total Expenditure *(Dericiations Cost Excluded)	123.26	122.92	-0.003%
Depreciation	5.25	2.95	-43.80%
Net Profit	55.01	57.08	-3.76%

Source: Bcc Lanka limited



Source: Bcc Lanka limited

Progress Report - 2025

Sales & Production Details – January to September 2025

	Sales Value (Rs. Mn)		Production Qty (Mt.)	
	Refinery	Soap	Refinery	Soap
January	69.55	8.69	57.65	21.27
February	92.27	10.47	69.70	21.58
March	97.35	7.08	80.30	7.59
April	65.70	3.56	58.02	3.27
May	64.04	4.83	42.80	9.24
June	78.49	7.50	52.00	13.00
July	80.89	3.75	64.10	6.48
August	100.73	5.31	63.15	6.44
September	84.35	4.48	71	9.96
Total	733.38	55.67	558.72	98.83

Source: Bcc Lanka limited

3. Renovate the existing warehouses and adding value to the renting space
4. Plans are in place to modernized the current unused buildings and construct a Super Market, Food Court and Warehouses.

22.3 Future Plans - 2026

1. Production of Coconut Oil Products & Soap Products

It is targeted to produce 1525 Mt. of high quality Coconut oil & 653 Mt of soap and soap related products in the financial year of 2025/26

2. Construction of a new state-of-the-art Soap factory

The company planning to introduce an attractive products to the market by replacing the existing soap and detergent production machinery with state-of-the-art automation machinery.

23

Paranthan Chemicals Company Limited (PCCL)

23.1 Introduction

Paranthan Chemicals Company Limited is a State-owned profit-making Company functioning under the Ministry of Industry and Entrepreneurship Development. As a professionally managed enterprise involved in chemical production, imports and distribution, the Company plays an important role in ensuring availability of chemicals needed for the water purification and local manufacturing industries. The main goals of the Company include fostering a safe and healthy

nation and ensuring an active presence of the government in primary chemical sector and identifying the best practices in chemical handling in the chemical industry.

At present Paranthan Chemicals Company Limited is the main supplier of liquid chlorine market and has acquired 95% of market share in liquid chlorine and substantial portion of other chemicals as well. As a Company with a history of producing Caustic Soda flakes, Liquid Chlorine and other related chemicals which add to the value to domestic Salt production, Paranthan Chemicals Company expects

Progress Report - 2025

to re-establish the factory at Paranthan in Kilinochchi District within three years.

It is a pleasure to mention that the Company is running with a profit and all expenditures including salaries and other allowances are being paid from its own funds. Annual dividends is also paid to the General Treasury.

Activities/Duties and Functions

PCCLs main production factory was at Paranthan in Kilinochchi District, that was operated successfully since 1956 to 1985. Our production facility was destroyed on year 1985 due to the war and we are currently at the process of re-establishment of it at Paranthan itself. The company was completed the comprehensive feasibility study into re-establishment of Caustic Soda & Liquid Chlorine factory and PCCL was forecasted to install Poly Aluminum Chloride (PAC) and Hydrochloric Acid (HCl) manufacturing facilities as Product Market development to comply the local market demand in Sri Lanka.



23.2 Progress - At the end of September 2025

Financial Performance

Description	2024 Rs.'000	As at 2025.09.30 Rs.'000
Revenue	758,436	542,725
Cost of Sales	(320,000)	(230,107)
Gross Profit	438,436	312,618
Other Operating Income	63,500	53,938
Total Revenue	501,936	366,556
Total Expenditure	(148,692)	(113,246)
Profit from Operational Activities	291,726	253,310
Less: Finance Cost	-	-
Net Profit Before Taxation (approximately)	163,129	253,310

Source: Paranthan Chemicals Company Limited (PCCL)

Progress Report - 2025

Other performance			
Subject	Action taken	Progress	Progress %
Setup Caustic Soda/ Chlorine Project	Completed feasibility study report, Contour survey, Hydrology surveys and waiting fund arrangement and directive from the General Treasury and the line ministry to further action.	A 30-acre land in the Paranthan area has been allocated for the Caustic Soda and Chlorination Project. The process of acquiring the land on a long-term lease basis is currently in the process. The Kilinochchi District Survey Department has conducted surveying of this land and provided a preliminary plan to Paranthan Chemicals. Cabinet approval was received to call for expressions of interest in relation to the aforementioned project, and necessary steps have been taken for that purpose. Cabinet approval has been received to allocate Rs. 500 million for the development of infrastructure at this location, and the work is underway.	40%
Introducing new products to the Consumer Market	Paranthan Chemicals Company has completed the new products development process targeting of domestic consumers .	The following four new products targeting domestic consumers have been launched into the market. 1. Drain Cleaner - (Cleaning drain systems) 2. Stain Remover - (Removing stains on tiles and grout) 3. Laundry Bleach - (To clean white clothes) 4. Pest Wipe Out - (To repel harmful insects in the home) Also engaged in the business of supplying bleaching liquid and caustic liquid	80%
Expansion of existing liquid chlorine storage facility and refilling operation activity at Wagawatta site with international standard safety measures.	1 Tendered and awarded for construction project stage II 2. Expansion of cylinder maintenance activities 3. Infrastructure Development work at the site	Phase II of construction work to improve storage facilities and training facilities has commenced and is in the final stages.	95%

23.3 Future Plans - 2026

Objective	KPI	Target in 2026
Manufacture Chemical Products to cater higher demand and production capacity and the quality	Re -establishment of the Chemical Manufacturing Factory at Paranthan	40%
Improving brand image	Increase sales revenue	20%
Introduction of E Procurement Methodology	Commencing ordering of goods through the E procurement system	50%
Introducing sustainable energy practices, promoting environmental conservation and reducing carbon footprint	Solar power generation on the roof of the Wagawatta unit (4500 sq ft)	30%
Establishing a cloud based management data system	Data system installation	50%
ISO 9001/14001 standard certificates	Number of quality certificates obtained	25%

24

National Salt Limited (NSL)

24.1. Introduction

National Salt Ltd. has long history in salt production in Sri Lanka. The company manufactures common salt, iodine mixed salt, crush salt and industrial salt. The major production areas are located in Mannar and Elephantpass (Kilinochchi) District and its administrative office located in Colombo.

The salt department was started in 1938 and went through different administrative control and finally

it was named as Mantai Salt Ltd from 2001 and in June 2021 it is renamed as National Salt Limited and now functioning under the purview of Ministry of Industries. The salt is being recognized as best in quality (96% is NaCl) in compare to the harvested salt in other part of the country. Currently Mannar Saltern has capacity to produce 6,000MT of raw salt and the Elephantpass Saltern has capacity to produce minimum 22,000MT per annum in full operation.

The National Salt Ltd. not only functions as a natural resource extracting center also giving employment opportunities to the vulnerable people in the Mannar and Kilinochchi Districts. As at today there are 63 permanent staff, 7 contract/casual and roughly 242 seasonal staff are employed by the institution.

National Salt Ltd is governing by the board which comprised by the members represent from Treasury and other government /private institutions and it comes under the purview of Ministry of Industry and Entrepreneurship Development. The Restructuring Division of the Ministry is monitoring and facilitating the development, legal and accountable matters of the company. As it is a government enterprise and registered under the company Act. No. 7 of 2007 as a Limited Company to abide for the company rules. Meanwhile the institution is certified by the Sri Lanka Standard Institution to ensure the quality of the product and also, the company is being audited by the National Audit Office.

24.2 Progress - At the end of September 2025

Production

	<i>Saltern Location</i>	<i>Quantity Produced in MT</i>
01	Mannar Saltern	4,000
02	Elephantpass Saltern	8,000
	Total	12,000

Source: National Salt Ltd

***The Table Salt Plant project at Elephantpass Saltern has been completed by 95%**

Table Salt Plant building



Erection of Table Salt Plant



***Saltern Field development has been Completed by 90%**

Financial Progress

#	<i>Category</i>	<i>Amount in Rs. MN</i>
01	Sales Revenue	251.20
02	Gross Profit	149.50
03	Net Profit- before tax	136.20

Source: National Salt Ltd

Expenditure details

#	Category	Expenditure Rs. MN	Percentage
01	Recurrent	219.00	43%
02	Capital	56.00	32%

Source: National Salt Ltd

24.3 Future Plans - 2026

- Renovation of abandon area to increase the salt production at Elephants Saltern (50 acres will be renovated)
- Preliminary action will be taken to reoperate Kurinchattivu saltern in order to produce 25,000MT salt per annum from year 2027.
- Expand the Sales and distribution Island wide with table salt production.

25

Sri Lanka Cement Corporation (SLCC)

25.1 Introduction

The Kankesanthurai Cement Factory, which began operations under the Department of Industries in 1950, was transformed into a state corporation in 1956 under the provisions of the State Corporations Act No. 19 of 1955, and was re-established as the Kankesanthurai Cement Works.

Subsequently, on January 1, 1959, it was re-established as the Cement Corporation of Lanka under the Industrial Corporations Act No. 49 of 1957.

In 1980, a special gazette notification officially changed its name to Sri Lanka Cement Corporation.

This corporation, which has functioned under various ministries, currently operates under the Ministry of Industry and Entrepreneurship Development.

At one point, the Sri Lanka Cement Corporation managed three cement factories. However, in 1993, due to privatization, the ownership of the Puttalam and Ruhunu Cement Factories was lost.

Currently, only the Kankesanthurai Cement Factory remains under the corporation's purview. This factory has been inactive since June 1990 due to security concerns and the destruction of machinery and equipment.

Functions

The gazette notifications dated 1956.11.02 and 1964.05.11 assign the following functions to the corporation:

- Production and sale of cement.
- Manufacture and sale of telephone and electrical communication poles, telephone booths, water transportation equipment, hume pipes, and tiles made from cement or concrete.
- Wholesale supply of electricity to any person.
- Production, import, and sale of cement.

Guidelines on future operations after the Voluntary Retirement Scheme implemented on 2016.07.31 are mentioned in the letter from the Ministry of Industry and Entrepreneurship Development dated 2016.10.27 (Ref: MIN/R/07/06/07). It includes instructions for finding suitable investors, collecting lease revenue, conducting operations, and transferring the surplus to the treasury due to the stewardship of the country's clinker reserves.

Since April 2017, no cement has been imported. It is hoped that rental income from the corporation's properties will help stabilize the organization. Following the Voluntary Retirement Scheme of 2016.07.31, 14 permanent employees remained, of which eight are currently employed.

25.2 Progress - At the end of September 2025

Main Activities	Financial Progress - 2025.01.01 to 2025.09.30	
	Income (Rs.Mn.)	Expenses (Rs.Mn.)
Income from land leasing and rentals	107.39	31.45

Source: Sri Lanka Cement Corporation

25.3 Future Plans - 2026

Clinker Production for Cement Manufacturing

The production of clinker, which is the essential raw material required for cement manufacturing, is currently underway. Land required for establishing a clinker storage facility has been allocated based on instructions from the Department of Geology and Mining to begin production activities. The Board of Directors has granted the necessary approval for cost estimation by the Department of Geology and Mining. A site selected by the Department was presented at the Ministry on 24.10.2025, and according to the guidance received, the ownership of the selected land must be conferred to the corporation.

Removal and Cleaning of Iron and Other Metal Pieces in the Crusher Workshop Area

As per a Cabinet decision, the removal and cleaning of iron and other metal pieces in the crusher workshop area was carried out by a qualified contractor following tender procedures. The project was completed on the 19.12.2024. The collected metal parts are now approved for sale to the state-owned Industrial Development Board of Ceylon, with the required Cabinet approval already obtained. A pricing committee has inspected the metal and determined the sale price. Industrial Development Board of Ceylon will implement the tender process for the sale.

Production of Low-Cost Colored Aggregate from Removed Slag and Sand Layers

A project proposal for producing low-cost colored aggregates from slag and sand layers removed from cement production has been submitted to the Board of Directors and forwarded to the Ministry. The project is expected to follow the government-approved tender procedure.

Renovation of the Holiday Bungalow at KKS

The building was handed over to the Sri Lanka Cement Corporation by the Sri Lanka Army. A new renovation plan has been prepared, and the corresponding cost estimates have been made. Labor support is expected to be obtained by the Sri Lanka Navy, with approval of the Ministry of Defense. The already obtained or in process through the Ministry of Defense. The necessary approvals are being obtained through the relevant ministry channels.

Aruwakkalu Limestone Site – Mineral Separation Project

Separate of heavy mineral metals present in the top sand layers during the extraction of limestone at the Aruwakkalu site removed are to be separated. This is considered beneficial for the Sri Lanka Cement Corporation.

Kollupitiya Land

Currently, a temporary vehicle yard is being maintained on this land. A proposal for a mixed project with higher returns has been prepared and submitted to the Minister, Deputy Minister, and Secretary of the Ministry.

26

Lanka Leyland Limited (LLL)

26.1. Introduction

The Lanka Leyland (Private) Limited (the Company) is a fully Government owned Limited Liability Company incorporated under the Companies Ordinance No. 51 of 1938 and re-registered under the Companies Act No. 7 of 2007.

Lanka Leyland owns 41.77% of the share capital of Lanka Ashok Leyland, 30.38% is held by the Lankan public and the remaining 27.85% is held by Indian Ashok Leyland, the main industrial partner of the joint venture.

The main objective of Lanka Leyland (Private) Company is to manufacture the necessary accessories. Also, Lanka Leyland Private Company should encourage technology transfer within Sri Lanka.

The main activities of Lanka Leyland (Private) Limited

- To monitor and motivate the production of local components for the assembly of vehicles at Lanka Ashok Leyland PLC.
- Investment in treasury bills and fixed deposits.

27

Sri Lanka Institute of Textile and Apparel (SLITA)

27.1 Introduction

Sri Lanka Institute of Textile & Apparel (SLITA) is a premier national institution functioning under the purview of the Ministry of Industry and Entrepreneurship Development mandated to support the development and growth of the Textile & Apparel sector — the largest industrial exporter of Sri Lanka. SLITA contributes to national economic advancement by providing professional education and degree programmes, technical trainings, testing & certification services, technology transfer, and industry-based research and innovation, ensuring an internationally competitive skills base and service capability.

27.2 Progress - At the end of September 2025

Strengthening Industrial Competitiveness

During the period under review, SLITA made significant strides in enhancing the competitiveness of the national textile and apparel industry. New degree programmes were launched in alignment with Industry 4.0 requirements, ensuring a future-ready skilled workforce for advanced manufacturing technologies. A dedicated Certification Unit for garment health and safety compliance was established, strengthening the industry's global market access and regulatory conformity. Further, a comprehensive proposal to diversify testing services and expand laboratory capabilities was submitted to

the National Quality Infrastructure (NQI), supporting improved quality assurance in the export supply chain. In addition, the proposed National Carbon Footprint Database for the textile and apparel industry has been endorsed for implementation in 2026, marking an important step toward sustainability targets and environmental accountability in the sector.

Workforce Development & Skills Bridging

SLITA has achieved noteworthy progress in strengthening the national workforce and bridging the skills gap in the textile and apparel sector. A total of 57 customized training programmes were conducted, surpassing the Q3 target and delivering industry-specific solutions to enterprises across the country. Additionally, 67 scheduled training programmes were delivered to meet ongoing national workforce development demands, reflecting SLITA's strong outreach and training capability. The institute further supported industrial compliance and product standards by issuing 22,587 testing, exceeding the planned service levels. A major milestone during the year was the establishment and operationalization of the Faculty of Textile & Apparel Studies, enhancing higher education capacity and academic progression pathways. Moreover, staff capacity-building initiatives were successfully advanced beyond the expected level, reinforcing institutional expertise and service excellence.

SME Empowerment & Regional Impact

SLITA continued to play a vital role in empowering Small and Medium Industries (SMIs), with a strong focus on enhancing women-led textile and apparel enterprises across the country. Through targeted technical advisory support and practical skills

development training, these entrepreneurs were enabled to improve product quality, productivity, and market readiness, contributing to regional economic upliftment. In parallel, SLITA strengthened its strategic support for SME growth by submitting 16 development proposals, of which 5 have already been approved by the Ministry, demonstrating strong alignment with national priorities and increasing access to funding and resources for industry capacity building.

Infrastructure & Resource Optimization

Significant improvements were made in infrastructure and resource utilization to ensure a safe, efficient, and modern institutional environment at SLITA. The renovation of the boundary wall has reached 75% completion, strengthened security and enhanced the overall aesthetic value of the premises. The implementation of a solar energy solution has progressed to 50%, contributing directly to ongoing reductions in operational energy costs and supporting national sustainability priorities. In addition, procurement efficiency has been markedly improved through digitization and streamlined processes, enabling faster service delivery, better resource management, and enhanced financial accountability within the organization.

These initiatives have a combined positive economic impact, expanding employment, skill enhancement and industrial service accessibility across regions.

Key Challenges & Mitigation Actions

A few strategic activities recorded slower-than-expected progress during the first three quarters due to external dependencies and system development requirements. Efforts related to research commercialization and technology transfer

experienced delays; therefore, SLITA has prioritized the selection of commercially viable research outputs and will develop comprehensive proposals targeting national industrial requirements for implementation from 2027 onwards. Progress in virtual learning expansion and CRM system deployment was constrained by limited ICT resources, for which a capital funding request has been submitted to the Ministry for the 2026 budget to expedite full digital transformation.

The issuance of Recognition of Prior Learning (RPL) certificates remains below target; in response, SLITA will intensify promotional campaigns and outreach programmes within the Textile, Apparel, Leather, and Footwear sectors to accelerate certification volumes.

Additionally, the performance-based appraisal system is pending implementation and will be integrated under the broader SLITA Strategic Reform Programme to ensure a structured and transparent performance culture aligned with national public sector reforms.

27.3 Future Plans - 2026

- **Curriculum Expansion:** Prioritize the accreditation of new diploma programs and update curriculums to meet the evolving demands of the industry.
- **Research and Development:** Strengthen partnerships with universities and research institutions to foster industry-relevant innovations.

- **Enhanced SME Support:** Launch new programs to bolster skill development and market access for young entrepreneurs and women in the SME sector.
- **Sustainability Initiatives:** Advance the use of solar energy and water conservation techniques to promote eco-friendly practices.
- **Act Revision:** Focus on revising the SLITA Act to reinforce the institute's legal structure, thereby improving operational efficiency and industry service.
- **Laboratory Facilities Expansion:** Expand and modernize laboratory facilities to support cutting-edge research and development.
- **Establishment of RPL Section:** Create a Recognition of Prior Learning (RPL) section to acknowledge and certify skills and knowledge acquired outside formal education.
- **Health & Safety Certification:** Obtain a Health & Safety certificate for children's garments to ensure product safety and consumer trust.
- **Infrastructure Development:** Renovate the new building complex to house a modern library, and auditorium, and a state-of-the-art Fashion Design studio.
- Initiating new degree programs that are appropriate and essential to the field and preparing curriculum and obtaining approval from the Ministry of Higher Education.

28

National Design Center (NDC)

28.1 Introduction

The National Design Centre (NDC) is a statutory body which was established under the National Crafts Council and Allied Institutions Act No: 35 of 1982 and commenced its operations in 1983, and currently functions under the purview of the Ministry of industries with the primary objective of improvement of craftsmen through the uplifting of the local handicrafts sector.

Services provided to the handicraft sector to achieve the objectives of the institution as per the Act

- Design Development
- Skill Development
- Research & Development
- Market Promotion
- Common Facilitation
- Design Consultancy
- Design Education

28.2 Progress - At the end of September 2025

Approved Capital Budget Allocation - Rs.Mn. 40.000

Financial Progress - Rs.Mn. 8.840

The following development activities were carried out under projects funded through the above-mentioned capital allocations as well as external funding sources:

Prototype Development/Sample Production to Build Design Awareness

The primary purpose of prototype development and sample production is to build design awareness among artisans and entrepreneurs. Under the project,

- 314 designs were developed.
- 254 prototypes were produced.
- 58 new designs were introduced to 12 craftsmen.
- Design-related services were provided to 468 beneficiaries

Building awareness of design/market in the country

- The objective of building awareness around design and market trends is to strengthen the competitiveness and sustainability of the local handicraft sector.
- Training programs (planned and requested basis)

No. of Programs - 10

No. of Beneficiaries - 224

No. of New designs introduced - 60

Training programs on design and market trends



Short Term Training Sessions

The institute conducts short-term training sessions at the institute's workshop, covering various handicraft sectors. These programs are designed to support entrepreneurs looking to enhance their skills and improve the quality of their craft. To date, 26 individuals have benefited from these training opportunities.

Short Term Training Sessions



'We Are the Design' Programme

"As a special initiative, 03 programs were implemented under a new concept titled '*We Are the Design*', aimed at providing traditional craft experiences to both tourists and local enthusiasts.

'We Are the Design' Programme



A total of 198 local and foreign beneficiaries participated in these programs.

The traditional craft experiences offered by the National Design Centre benefit a diverse group of individuals. Tourists gain access to authentic cultural interactions that deepen their appreciation of Sri Lanka's rich artisanal heritage, while local enthusiasts—including students, artists, and craft practitioners—are empowered to preserve, learn, and actively engage in traditional craftsmanship. These experiences foster cultural continuity, support sustainable livelihoods, and encourage a broader appreciation of indigenous crafts.

University Student Engagement

Our institute has consistently created opportunities for university students pursuing design-related studies to gain practical, hands-on experience in the field of handicrafts through specialized workshops. To date, 27 university students have benefited from these experiential learning programs.

❖ Research and Development for Handicrafts

Under this Project, a range of initiatives were carried out in collaboration with academic institutions and other stakeholders to enhance the local handicraft sector through innovation and capacity building:

- ***Awareness and Demonstration:***

A total of 47 craftsmen were introduced to the use of antifungal agents for palmyrah crafts.

Additionally, a research prototype for palmyrah leaf cutting was demonstrated.

- ***Collaborative Research Projects:***

A project is being conducted with the University of Kelaniya to develop a palmyrah leaf cutting machine.

Another research initiative is underway with the University of Moratuwa on “Finding the Potential for Batik Wastewater Treatment Using Bioremediation.

- ***Support for Batik Sector:***

Guidance was provided to 3 batik craftsmen to prepare them for Good Manufacturing Practice (GMP) readiness.

- ***Clay Sector Development (in collaboration with NWS&DB):***

NWS&DB clay was delivered to the Mahayala Clay Training Centre and prepared for use by local craftsmen. Five craftsmen, including those from Mahayala, received and utilized the prepared clay. A clay lamp-making machine developed by the Industrial Development Board (IDB) was introduced to 15 craftsmen in Mahayala.

- ***Innovation in Material Use:***

A study was conducted to evaluate the potential of using sludge from two Water Treatment Plants (WTPs) in the Ampara area. 13 craftsmen participated in testing the usability of this material. Coir fiber-based product-making technology was introduced to 2 craft instructors at NDC.

Bamboo-covered glass water bottle samples were developed as a sustainable alternative to traditional bamboo water bottles.



❖ **Promote handicrafts through building market awareness**

As part of efforts to strengthen market visibility and promote local handicrafts, several targeted promotional activities were carried out:

- A product promotion program was conducted during the Sinhala and Hindu New Year celebrations.
- New design promotion programs were organized, targeting both local and foreign tourists at Havelock City and Port City.

- Handicraft exhibitions were held in conjunction with key international events, including: The 7th Meeting of the ISA Regional Committee for Asia and the Pacific, The AIESEC Sri Lanka 2025 International Conference, and a fashion show featuring local handicrafts, organized in collaboration with SLITA Runway-2025.

SLITA Runway-2025



Outputs: 31 new designs were introduced to the market. 70 new designs were showcased to a wider audience. Five market linkages were established, connecting artisans with potential buyers and business partners.

❖ New Design Exhibition to Promote New Design

With the aim of promoting and popularizing local handicrafts within the tourism industry, arrangements have been made to hold a new design exhibition in November in Kandy, with a special focus on lacquer creations.

As a prelude to this, the first phase was held at the Kandy City Center. At this event, 50 new designs were showcased, attracting around 950 visitors including both locals and tourists.

Through this exhibition.

- Showcasing the creativity and skills of local artisans
- Providing immersive experiences for local and international visitors interested in traditional crafts
- Creating opportunities to connect artisans with broader markets during the promotion of Sri Lanka's rich craft heritage

❖ Public awareness to highlighting impact of design on daily life

An awareness program on foreign markets was conducted for 44 craftsmen across Batik, Coconut Shell, Brass, Leather and Cane& Bamboo handicraft sectors, aiming to equip them with knowledge on international trends, export requirements, and market opportunities.

In addition, 20 expert batik artisans participated in a practical training session on colour combination, enhancing their design skills and creative expression.

Further programs focused on design development, packaging, and sales opportunities are scheduled to be implemented in the upcoming period, with the goal of strengthening the market readiness and competitiveness of local artisans.

❖ Development of traditional industrial villages targeting experience-based tourism-

"Development activities in Naththarampotha, Kandy branch office has commenced under this project with the aim of establishing an institution as a centre for traditional handicraft experiences, providing facilities for both local and foreign tourists. This initiative seeks to highlight Sri Lanka's rich artistic heritage by offering practical opportunities to preserve fading handicrafts, while also supporting the growth of the tourism industry through cultural integration."

❖ Design Consultancy Services

The National Design Center was tasked with designing the **Mitra Vibhushana** Award, which is presented to a diplomatic leader as a symbol of friendship between countries. Our institute designed the award, and the process up to its production was carried out under the supervision of our institute.

❖ Conducting Standardized Courses for the Design sector

A total of 72 students who enrolled in courses started in previous years have successfully completed their studies. 74 new students have enrolled in the National Diploma in Interior Design course. Arrangements are underway to hold the diploma award ceremony to Diploma holders. The institute has generated Rs. Mn. 5.000 in course fees during this period.

❖ Re-visiting the legacy of traditional design in Sri Lanka

A special project is being implemented by the National Design Center under the provisions of the Ministry for the Re-visiting the legacy of traditional design in Sri Lanka. Through this project, traditional designs that have not been used so far are being researched and brought into the digital space in a manner that allows future generations to utilize them. The preliminary activities related to this project are currently underway."

28.3 Future Plans - 2026

The proposed capital requirement for the year 2026 is Rs. Mn. 76.656. Under this, the following projects are planned to be implemented and through this, it is expected to provide many productive services to the handicraft sector.

Project	Allocation (Rs. Mn.)
Prototype Development/sample production to build design awareness	9.850
Building Design/Market awareness in the country	8.850
Research & Development in craft sector	5.700
Promote Handicraft Industry through Building Market Awareness	4.600
Design competition for full fill Marketable design gap in SME sector	3.000
Development of traditional industrial villages targeting experience-based tourism	19.000
More effective service through improving internal capacity	8.856
Conducting New Design Exhibition to Promote New Design	9.800
Public awareness to highlighting impact of design on daily life	7.000
Conducting Standardized Courses for the Design sector	External Fund
Design Consultancy Services	External Fund

29

Sri Lanka Handicrafts Board (LAKSALA)(SLHB)

29.1 Introduction

Sri Lanka Handicraft Board, popularly known as Laksala is a “self-finance” organization has been promoting the sale of local handicrafts through their eleven (11) showrooms which are located island-wide. This network of showrooms and provide essential market linkages to traditional craftsmen to market their produce since the inception in 1964. Laksala has remained a profitable institution under the closed economy due to virtual monopolistic position enjoyed during that era. In 1983, under the National Crafts Council and Allied Institutions Act No: 35 of 1982

Laksala is the only state owned organization marketing handicrafts that are produced through cottage industries across Sri Lanka

Main Goals/Objectives

- Value creation and shared values among the rural community.
- Multi-faceted opportunities for the best customer choices.
- Quality, reliability and value for money.
- Delighting our customers through Service Excellence.

Traditional Handicrafts, Handlooms, Batik, Local Apparel, Tea, Leather Products



29.2 Progress - At the end of September 2025

Comparative Progress

Component	2025
Sales Turnover (Rs. Mn)	688.70
Showroom Product Purchases (Rs. Mn.)	296.30

Source: Sri Lanka Handicrafts Board (Laksala)

29.3 Future Plans - 2026

- LAKSALA operational activities are being jointly implemented through collaboration among the other two institutions; National Crafts Council (NCC) & National Design Centre (NDC) scheduled for amalgamation.
- The acquisition of viable showrooms currently operated under the National Crafts Council (NCC) a total of two (02) showrooms is planned for the year **2026** as part of the amalgamation process.
- Forecasted total sales turnover for the year 2026 LKR 1,060,000 Mn.
- Forecasted showroom sales Purchases for the year 2026 LKR 512.70 Mn.
- Official commencements of LAKSALA new showroom Negombo
- Transform the “Old Fort LAKSALA building” into a more functional and commercially productive space.

30

National Crafts Council (NCC)

30.1 Introduction

The National Crafts Council was established under the National Crafts Council and Allied Institutions Act No. 35 of 1982 with the primary objective of preservation and development of handicrafts as well as uplifting the economic and social status of the artisans in the field of handicrafts. Over the past few decades, the National Crafts Council has implemented a number of projects and programmes for the conservation and development of handicrafts and for the welfare of handicraftsmen.

Goals

1. To Increase the handicrafts sector contribution for the GDP by 50% in 2030
2. To generate 4000 self-employment opportunities on field of handicrafts by 2030
3. To create 400 young and female entrepreneurs on field of handicrafts by 2030
4. To increase the export share of GDP on field of handicrafts by 50% in 2030

Duties/Functions

- Implementing training programs in handicrafts.
- Implementing craft exchange programs.
- Facilitating self-employment.
- Coordination and facilitation to mitigate raw material related issues.
- Introducing new technology for processing raw materials used in handicrafts.
- Implementing local and foreign market promotion programs.
- Coordinating financial support to artisans.
- Implementing handicraft product development programs.
- Transforming handicraft artisans into export-level entrepreneurs.
- Organizing “Shilpa Abhimani” craft competitions, exhibitions at provincial and national levels to celebrate craftsmanship and award excellence.
- Implementing welfare programs for artisans.
- Identifying and registering artisans and issuing them with identity cards.
- Preservation of traditional handicrafts.
- Enhancing the economic, social, and living standards of handicraftsmen.

30.2 Progress - At the end of September 2025

1. Implementing training programs in handicrafts.

- Comprehensive annual training programs are conducted through 62 handicraft training centers across the island, focusing on both theoretical knowledge and practical skills. Total Number of Trainees: 574
- Furthermore, the National Crafts Council implements the Master Craftsman Training Scheme aimed at preserving traditional handicrafts and guiding unemployed youth towards self-employment in the handicraft sector and thereby enhancing their socio-economic conditions. 262 apprentices are receiving training at 22 craft training classes under this six-month Master Craftsman Training program.
- Tailored short-term training sessions are organized based on requests from institutions and groups, successfully providing training to 436 individuals through 13 specialized training programs.

S. N	Training Program	Number of programs	Number of Trainees
1	Training provided through Craft Training Centers	62	574
2	Master Craftsman Training Courses	22	262
3	Training provided through specialized training programs	13	436
	Total	97	1272

Source: National Crafts Council

2. Transforming Handicraft Artisans into Export-Level Entrepreneurs

The primary objective of this initiative is to integrate these artisans into the business sector enabling them to contribute for the enhancement of the rural industrial landscape and to create rural industrialists / entrepreneurs engaged in export-oriented production activities and thereby promoting a significant influx of foreign currency into the country. This project is designed to create employment opportunities, allowing artisans to leverage their creative skills and contribute to local economies. In 2025, we expect to successfully transform 50 artisans into export-level entrepreneurs, equipping them with the necessary skills and resources to thrive in the global market.

3. Facilitation for the generation of Self-Employment in Handicrafts.

This program aims to support job creation and enhance the contribution of the handicraft sector to the national economy. It will provide resources and facilities to trainees participating in training programs organized by the National Crafts Council and skilled artisans. The initiative is designed to empower these individuals to start their own self-employment ventures in handicrafts. In 2025, the program is expected to assist 200 artisans, equipping them with the necessary tools and support to succeed in their entrepreneurial endeavors.

4. Operating Mobile Sales Stalls at Tourist Destinations

This project aims to sell and promote handicrafts during peak tourist seasons at major tourist destinations in Sri Lanka, including Nilaveli,

Pasikuda, Colombo, Ella, and Kandy. By establishing mobile sales stalls, we will create opportunities to showcase Sri Lankan handicrafts to both local and foreign tourists. This initiative is expected to enhance the admiration of these unique products and significantly increase the income of artisans.

Mobile sales stalls at Nilaveli



5. “Shilpa Abhimani” Provincial and National Competition

The “Shilpa Abhimani” Provincial and National Competition is being organized by the National Crafts Council in collaboration with the Provincial Department of Small Industries and Provincial Councils. This initiative includes nine provincial competitions, representing all nine provinces of Sri Lanka.

The National Handicraft Competition encompasses 66 handicraft sectors classified under 31 basic sectors. It awards two gold medals for excellence in both traditional and innovative categories while promoting the preservation of traditional crafts. Additionally, cash prizes and certificates will be awarded to the top three placements and merit recipients.

(Expenditure Rs. 0.645 million)

6. Development of Craft Training and Production Centers

Many training and production centers utilized by the National Crafts Council have been in operation for over thirty years. To enhance these facilities, essential improvements are being made, including upgrades to sanitation, water supply, electricity, and necessary repairs.

In 2025, seven training centers will be developed, specifically located in Ratnapura – Kuruwita, Galle – Habaraduwa, Kurunegala – Wariyapola, Colombo – Battaramulla, Trincomalee – Kanniya. Additionally, development activities at the Monaragala – Nannapurawa, and Batticaloa - Thiruperumthurai centers have already been completed. (Expenditure Rs. 2.495 million)

7. Registration of Handicraft Artisans, Issuance of Identity Cards, and Database Update

The initiative aims to gather detailed current information about handicraft artisans, update the existing database, and facilitate their registration with the National Crafts Council. Additionally, arrangements will be made to issue new identity cards.

Key statistics include:

- Number of new artisans registered - 804
- Number of identity cards issued - 333
- Total number of registered artisans - 20,869

Preliminary work related to the establishment of the database is currently underway. (Expenditure Rs. 0.035 million)

8. Establishment and Coordinate of Craft Society

Establishing and Coordinating of Crafts Societies at the regional, District and National Level with the aim of the bringing together and organizing artisans scattered throughout the island.

- No. of New regional crafts societies established in year 2025 - 08
- No. of District Crafts Society - 25
- No. of Provincial Crafts Society - 08
- Total No. of Regional Crafts Societies - 211 (Expenditure Rs. 0.126 million)

9. Non-Financial Development Programs

This program focuses on coordinating various non-financial development initiatives, including: coordinating and facilitating access to financial facilities, providing assistance in sourcing raw materials, enhancing marketing opportunities for artisans, supporting artists in participating in international competitions. These initiatives aim to strengthen the capabilities and market presence of artisans in the handicraft sector.

Description	Number of beneficiaries
Financial facility coordination	88
providing assistance in sourcing raw materials	159
Coordinating market facilities	502
supporting artists in participating in international competitions	10
Other non-financial development programs	228
Total Number of beneficiaries	987

Source: National Crafts Council

10. Implementation of Local and Foreign Sales Promotion Programs

i. Implementing Sales Promotion Programs at the Provincial/District levels

(Expenditure of Rs. 3.725 million)

Eight sales promotion programs have been successfully implemented at the provincial and district levels, specifically in: Kuliyaipitiya, Colombo, Ratnapura, Badulla, Jaffna, Kandy, Anuradhapura, and Polonnaruwa.

Plans are underway to conduct additional sales promotion programs in other districts, with a total

ii. Development of Lakshilpa Outlets

Development activities for the Kandy - Palkelele and Galle - Sipnara outlets have been completed.

iii. Craft Exchange Programs

Efforts are being made to establish craft exchange programs with Nepal, Bangladesh, and Indonesia.

iv. International Handicrafts Marketing Promotion Program

This program is scheduled to take place in November 2025 at Independence Square, Colombo. It will feature the participation of 50 Sri Lankan artisans and 50 Indian artisans, in collaboration with the Indian Embassy in Sri Lanka.

11. Establishment of the Wood Design and Innovation Center

To address the needs of modern technology, new designs, research, and innovation in the wood-related industry, a comprehensive renovation and work plan has been initiated to revitalize the underutilized buildings and machinery of the

Katubedda Mechanical Carpentry Center, which has been inactive for approximately 10 years.

This project aims to achieve several key objectives including producing Standardized Craftsmen with required skills essential to the wood industry in the country, providing essential services offering vital support services to the wood sector, and cultivating skilled workers by training individuals to obtain national vocational qualifications. The preliminary work related to the modernization of this center is currently underway.

30.3 Future Plans - 2026

1. Preserving Heritage with Amazing Finishes” Handicrafts-related Creation Promotion Program.

Implementation of a special handicraft promotion program in collaboration with the Sri Lanka Tourism Development Authority to promote handicrafts related products, targeting foreign tourists and based on the primary objectives of providing wider market opportunities for Sri Lankan handicraft related products, generating foreign exchange and improving the living standards of artisans.

2. Encouraging Substitution Products for Imported Handicrafts

Under this program, it is expected to encourage the artisans to identify all the imported handicrafts and identify the replacement products, by way of providing them with the necessary raw materials, designs, training, and methods, and with all other facilities.

31

Lanka Salusala Limited (LSL)

31.1 Introduction

Established on 1st of October 1967 as a Government of Sri Lanka Commercial (Textiles) Corporation, Salusala's main objective was to promote local production and to be a pioneer in the supply of local textiles and related products and to support the small and medium enterprises engaged in the textile industry in Sri Lanka.

Lanka Salusala Limited was established on 28.11.1991 to expand these business activities further. According to the Gazette Notice published on 21.12.1991 by the Act for the Conversion of State Corporations or Government-Owned Business Enterprises into State Companies No. 23

of 1987, the assets, liabilities, and business operations of Sri Lanka State Commerce (Textile Corporation) were assigned to this company.

Objectives

- By developing market opportunities for local handloom, batik, and apparel, we will create an opportunity for local manufacturers to increase production, thereby contributing to the development of rural economies and the SME sector.

31.2 Progress - At the end of September 2025

- By promoting establishing large-scale local manufacturing by opening factories in collaboration with the private sector thereby saving government money spent on imports of uniforms and other material requirements.
- To be the sole supplier of all the public sector organizations' fabric, textile, and related needs (B2G).
- To be the most trusted partner for the artisans, SME sector manufacturers, and other suppliers and manufacturers in the industry.
- To be the most trusted brand for consumers in the local and overseas markets by providing quality material at an affordable price
- Take the lead in regulating the industries of textile, apparel, and batik handloom to uphold and uplift the markets both locally and overseas.
- Bring about change in the industry by getting into JVs and PPPs by eliminating the capital spending of the government sector.
- Promote Sri Lankan-made handloom batik and apparel in the region and overseas markets to enhance export revenues and increase the country's dollar reserves.

As of 30th of September the company has been able to increase revenue, revive its core purpose by providing the required support to SMEs in creating marketing & sales opportunities and has brought the organisation to a break-even point where the operation can be sustained. The organisation is not out of troubled waters yet and there are court cases, debtors and pending VAT payments which need to be resolved and will be seeking non-monetary government help related to approvals.

Financial Position

Below table (table 1) provides a summary of all payments and receipts of Lanka Salusala limited for the reporting period. Immediately the data would show an operational loss but due to an expired VAT clearance Salusala has been unable to collect dues worth LKR 16,151,844.81 (table 2) which would place Salusala to end the year with an operational profit (before tax).

Receipts & Payments as of 30 September 2025

Month	RECEIPTS	PAYMENTS	P&L
JAN	1,259,906.23	2,957,564.91	(1,697,658.68)
FEB	904,645.44	105,365.68	799,279.76
MAR	2,221,361.34	2,027,849.92	193,511.42
APR	1,772,161.97	2,264,534.09	(492,372.12)
MAY	1,947,315.76	1,041,971.05	905,344.71
JUN	1,511,261.04	3,122,317.39	(1,611,056.35)
JUL	5,226,264.60	10,109,113.27	(4,882,848.67)
AUG	5,076,397.62	6,186,040.23	(1,109,642.61)
SEP	2,411,981.24	3,150,464.21	(738,482.97)
TOTAL	22,331,295.24	30,965,220.75	(8,633,925.51)

Source: Lanka Salusala Limited

Progress Report - 2025

Receivables —Cheques/Cash

Receivables - Cheques/Cash	Value
Sri Lanka Air Force Head Quarters	3,894,000.00
General Sir John Kotelawala Defense University	3,021,980.00
Central Procurement Department - CMC	2,034,435.00
University of Colombo	752,840.00
Central Procurement Department - CMC	458,972.00
National Hospital Colombo	274,114.00
Castle Street for Women	271,140.00
De Soysa Hospital for Women	117,244.80
Police Medical Service Division - Narahenpita	107,675.00
The National Institute of Nephrology Dialysis Transplantation	91,573.90
Colombo Municipal Council	73,410.75
University of Sri Jayawardanapura	54,459.36
Rent advance from DSI tires	5,000,000.00
Total Receivables	16,151,844.81

Source: Lanka Salusala Limited

31.3 Future Plans - 2026

1. Market Development & Expansion: Expand Lanka Salusala's reach locally and globally through partnerships with other textile retailers, retail innovation, franchises and digital transformation (improve online presence). Introduce mobile pop-up stores at festivals, tourist zones, and corporate events. Open flagship experience stores in Colombo and key tourist hubs showcasing batik and handloom artistry.

2. Producer Empowerment & Supply Chain Rebuilding: Establish a producer registry, form partnerships with regional cooperatives, promote ministry/treasury backed micro financing & training and rebuild trust with suppliers and create a resilient, inclusive supply chain.

3. Branding & Product Differentiation: Build a strong, modern brand identity that resonates with diverse audiences. Launch a new tagline ("Woven with Sri Lankan Soul"). Create product lines: Youth wear, Heritage wear, Resort wear, Corporate Gifts, Home Textiles. Collaborate with local influencers and fashion designers to co-create capsule collections. Apply for international textile certifications (OEKO-TEX, Fair Trade).

4. Digital Transformation & Marketing: Build a vibrant online presence and data-driven marketing engine. Launch and promote the e-commerce store with influencer campaigns and SEO optimization. Revamp social media with content pillars: Artisan Stories, Product Highlights, Behind-the-Scenes, Customer Testimonials. Run targeted ad campaigns for youth, tourists, and corporate buyers on Facebook, Instagram, and Google. Introduce loyalty programs and referral incentives.

5. Revenue Diversification & Sustainability: Ensure financial sustainability through innovative revenue streams and ensure all debts are paid off. Lease unused land to textile producers, tourism, or training centers. Offer corporate textile gift packs for banks, airlines, and government agencies. Launch textile workshops and experiences for tourists (e.g., batik dyeing, handloom weaving). Create a subscription box model for monthly curated textile items.

32

National Gem and Jewellery Authority (NGJA)

32.1 Introduction

National gem and Jewellery Authority was established under the act no.50 of 1993; National Gem and Jewellery Authority Act to develop, promote and regulate gem and Jewellery industry in Sri Lanka.

Conducting awareness programs for industrialists and guiding them, conducting gem land auctions for state lands, providing lab facilities as development activities issuing licenses for mining, dealer, lapidary and gem auction, supervision and conducting raids to prevent illicit activities as regulatory measures and representing Sri Lankan pavilion in National and international exhibitions

and finding emerging markets for the industry as promotional activities have been done to fulfill above mentioned requirements.

In addition to that stakeholders who are engaging the gem and jewelley sector and all the other parties who are interested were encouraged and facilitate them and help them to enhance their knowledge. The business model of the National Gem and Jewellery Authority is based on the concept of self-sustaining, self-funded authority within the government.

Main Objectives

- To Increase the gem and jewellery export value to 2.5 billion US dollars by 2029 and develop sustainable gem mining and marketing methodology.
- To achieve a revenue growth target of Rs. 2 billion for the Authority by the year 2029.
- To develop a green, fair, and sustainable system for gem mining and trading.
- To enhance gem and jewellery assessing and testing operations to achieve internationally recognized standards.
- To empower all staff with modern technology and soft skills.

Main Functions of the Institute

As per Section 14 of the National Gem and Jewellery Authority No. 50 of 1993, the role of the Authority is as follows.

- Development and promotion
- Regulation and enforcement
- Research and innovation
- Social and environmental responsibility
- Training and capacity development

32.2 Progress - At the end of September 2025

Financial Progress

Earnings

Description (Rs. Mn)	Progress
Income	669.31
cost	558.22
Net profit before taxes	111.09

Source: National Gem and Jewellery Authority

Various income sources of of the Authority

Description	Income (Rs.Mn)	Progress (%)
Export Service Fee Income	183.57	34%
Gem Mining Licenses	56.04	112%
Dealer licenses	107.37	114%
Lapidary Licenses	0.30	113%
Gem Auction Licenses	3.92	99%
Raids	27.7	91%
Land auctions	0.67	0.2%
Gold assaying	13.3	49%
Gem Lab	13.3	77%
Other operating income	36.72	87%
Provision of consultancy services - local	20.86	37%
Approval of mechanical gem mining	140.41	92%
Other income	65.02	96%
Net financial income	81.45	134%
Total income	669.31	45%

Source: National Gem and Jewellery Authority

Gems, Jewellery and Diamonds Re-export Revenues (USD Mn)

Total Exports (U.S.D.Mn)	Target	Progress
Gem	503	153.02
Jewellery	37.87	12.73
Diamond re-export	197.22	117.92
Rough Import-re-Export (Gem)	8.93	2.22
Rough Import Re-Export (Jewellery)	1.51	0.91
Diamond jewellery	8.26	1.10
Geuda	0.09	0.02
NGR (Non Geuda Rough)	-	0.02
Total exports	756.87	287.9

Source: National Gem and Jewellery Authority

Provision of various laboratory facilities

	Target	Progress
Gem Laboratory (Certificate Quantity)	10,305	6,992
Assaying Gold (Amount of Items Checked)	22,450	11,601

Source: National Gem and Jewellery Authority

Various license issuances

License type (Number of licenses issued)	Target	Progress
Gem Mining Licenses	5,665	4,245
Dealer licenses (Gem)	5,415	5,322
Lapidary licenses	196	157
Auction Licenses	1,318	1,294
Raids (Number of Raids Conducted)	1,755	1,152

Source: National Gem and Jewellery Authority

32.3 Future Plans - 2026

- Implement the act for registration of all private laboratories and register the laboratories and issue a license.
- Construct the main office building in Colombo.
- Organize Sri Lanka Pavilion at International Exhibitions.
- Expand existing markets and enter new markets to achieve higher export targets.
- Develop and implement a programme to uplift gold and silver jewellery manufacturers.
- Provide opportunities for local jewellery craftsmen to participate in and observe international exhibitions.
- Facilitate gemstone trading for foreign buyers and investors.
- Sponsor and take the lead in organizing international exhibitions such as Facets Sri Lanka, Gem Sri Lanka, and Jewels to promote the industry globally.
- Continue to host the GEM CITY RATHNAPURA international exhibition annually.
- Fully digitalize all operations and services of the Authority.

33

Gem and Jewellery Research and Training Institute (GJRTI)

33.1. Introduction

Gem and Jewellery Research and Training Institute has been established in terms of Section 25(I) of the National Gem and Jewellery Authority Act No. 50 of 1950, with the objective of providing training and research facilities for the control, advancement and development of the Gem and Jewellery Industry.

Powers vested in the institute

- Conducting surveys on gem minerals in Sri Lanka
- Location of gems, identification of gems, Methods of enhancing gem stones, Any other related aspects and gemmological research.
- Providing technical and other advice including invention of machinery for the development of the Gem and Jewellery Industry in areas such as mining, gem cutting, jewellery making, devices for the treatment of gem stones and making of jewellery.

- Providing training in gem cutting, jewellery manufacturing, gemmology including diamonds; jewellery designing; enhancement of gem stones; any other related aspects of the gem and jewellery industry.
- Conducting Workshops, Seminars and to publish Papers, Books on related topics, work done etc.
- Carrying out such other things as are necessary to facilitate the proper discharge of the functions of the Institute.

33.2 Progress - At the end of September 2025

Research Division

2.1 Modern Technology to identify Gem Ores

- **Increasing Gem extraction in Sri Lanka via providing feasibility studies for the challenges and Gaps in the Industry**

Identified the regions from which data of existing licensed mines should be collected and coordination with NGJA has been implemented. Field visits were conducted in Deduru Oya river basin and auger sampling is to be done. Potential map preparation is being conducted.

- **Geochemical and Mineralogical Characterization of a Secondary Gem bearing profile: A Case Study in Kelani River Basin.**

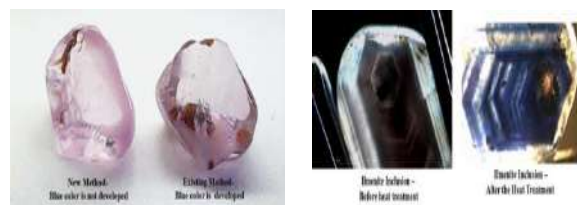
Microscopic examination of the collected samples was conducted. Mineralogical analysis using Microsoft Excel for data processing and interpretation was performed. Harker variation diagrams using the collected XRF data and analyzed the elemental characterization of the

profile was plotted. Geochemical indicator has been investigated and about to publish.

2.2 Modern Technological Support to Add Values to gems

2.2.1 Introduction of New Treatment Methods to the Industry

- A new method for red Geuda heat treatment was introduced which can be used to remove geuda inclusions effectively.
- Heat treatment of deguna was experimented at high temperature in extra oxidising atmosphere using modified gas furnace and was successful.
- Colour prediction model of geuda heat treatment outcome based on Raman spectroscopy and microscopical images is developed.
- The role of ilmenite in the heat treatment process of silky Geuda was identified.

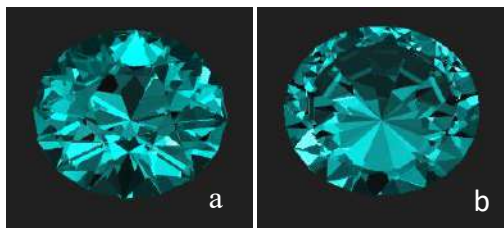


2.2.2 Development and Evaluation of Analytical Methods for the Detection of Irradiation Treatment in Gemstones

Raman study is being conducted for obtain possible method in detection of the irradiation treated stones and consequently irradiation tests will be performed.

2.2.3 Introducing standard cuts for lighter-toned gems

Modeling of gem cuts using Gem Cut Studio software changing the number of facets and the cutting angles is being conducted under this project.



2.3 An International gem & Jewellery Market

2.3.1 Preparation of a catalogue on Sri lankan ethnic jewellery designs to commercialize them for local and foreign returns

The sample page of the catalogue is being completed. The categories of articles at museum are being identified. Agreement signing arrangements are being done.

2.3.2 Introduction of Nano-Color Gold Alloy for Jewellery Manufacturing

Under this project, experiments were carried out relating to the production of gold nanoparticles and red and Violet Nano particles were successfully prepared. Further laboratory testing is being conducted.

Laboratory testing on Nano Colour gold alloy manufacturing



2.4 Exploring the Potential of Pearl Culture in Sri Lanka

Field visits were conducted to North-western coastal area under this project for identify potential sites and the officials of MEPA were met to inquire about laboratory services for sample collection and analysis. Meetings with genetic experts from

Wayamba University to organize genetic analysis for species identification through overseas institutions were arranged. Board papers, including the tentative Action Plan for 2025–2034 and the progress report up to September 2025 were submitted.

2.4 International Level gem research lab

In relation to this project, Quality Manual and Procedure Manual are compiled and equipment calibrations are being conducted.

2.5 Introducing Digital Platforms for the Industry

2.5.1 Establish a computer based techniques for valuation of gemstones

A computer based application for obtaining gemstone benchmark values is established. Initial steps are taken to develop a web application.

2.5.2 Establish a computer based techniques for valuation of Jewelleries

A computer based application for obtaining jewellery benchmark values is established. Initial steps are taken to develop a web application.

2.6 Technology Dissemination

2.6.1 Holding Research Symposium

GJRTI international symposium 2025 is organized to be held on 10th October at the Sri Lanka Foundation. This event is going to be held for the 3rd time with the participation of industry experts and stakeholders.

2.6.2 Publish a Book on Geuda Heat Treatment

The scripting of five chapters of the book on geuda heat treatment has been completed. The

arrangement of images for the book is being conducted.

2.6.3 Advanced Workshop on geuda sapphire identification, heat treatment and Modern testing techniques

A 4 days' workshop was successfully held on 2025.07.05,06,12 & 13 named "Advanced workshop on geuda sapphire identification, heat treatment and modern testing techniques" at GJRTI head office with the participation of 8 industrialists.

Advanced Workshop on geuda sapphire identification, heat treatment and Modern testing techniques



2.6.4 Workshop on Heat Treatment of Ottu and Young Geuda

A 2 days' workshop on above topic was successfully held on 2025.08.12 and 13 at Ratnapura regional center with the participation of 48 industrialists.

Training Division

The Training Division plays a pivotal role in producing technically skilled craftsmen and professionals equipped with the modern knowledge, technical expertise, and competencies required by the gem and jewellery industry. Training is conducted under both the National Vocational Qualifications (NVQ) framework and internationally recognized qualification systems.

In alignment with the national objective of strengthening Sri Lanka's competitive advantage in the global marketplace, the Division focuses on imparting technical and artistic skills that meet international standards and industry demands. Accordingly, under the 2025 Action Plan, the Division implemented a series of training programmes and educational development initiatives. The progress achieved by the end of the third quarter of 2025 is presented below.

The planned programs under the action plan are as follows:

Training Programs

- Conducting Foundation and Diploma courses in Gemology of the British Gemological Association
- Conducting courses by charging course fees
- Conducting courses free of charge
- Conducting courses under the thirteen-year continuing education program
- Issuing National Vocational Qualification Certificates based on Prior Learning (RPL)
- Conducting technical workshops

Progress Report - 2025

Development Programs

- Preparation of a course to award a degree qualification in Gem and Jewellery Science.
- Development of a curriculum to achieve the National Vocational Qualifications (NVQ 5) standard level for the subject of Gem Cutting and Polishing
- Introducing an industry-relevant education and training policy VET

The progress achieved by the end of the third quarter of 2025 in relation to the above planned programs is as follows.

Implementation of Training Programmes

Conduct of Training Courses in the Gem and Jewellery Sector

Activities relating to the development of modern training programmes aligned with current market trends and technological advancements have been carried out in accordance with the guidelines of the Tertiary and Vocational Education Commission (TVEC). These programmes aim to enhance both the theoretical knowledge and practical competencies of individuals entering the industry, as well as those currently employed within it.

By successfully conducting a range of long-term and short-term courses, a total of **1,082 students** have been enrolled as of 30th September 2025, generating an income of **Rs. 33.70 million**. The breakdown of enrolment is as follows:

Fee-based training programmes – 665

Free training programmes – 211

Thirteen Years of Guaranteed Education Programme – 186

Diploma in Jewellery Design and Manufacturing – 12

Gem-A Foundation in Gemmology Course – 08

NVQ Certification through Recognition of Prior Learning (RPL) – 25

In addition to these programmes, the Division continues to implement various development initiatives aimed at enhancing the quality and scope of training in the sector.

Implementation of Internationally Accredited Gemmology Courses

The Division has successfully commenced the Foundation and Diploma Courses in Gemmology accredited by the Gemmological Association of Great Britain (Gem-A), following the Institute's admission as a member of the Association. The Gem-A Foundation Course has been successfully completed, and eight students have registered for the Diploma in Gemmology, scheduled to commence in October 2025.

Awarding of NVQ Certificates Based on Recognition of Prior Learning (RPL)

Recognizing the need to validate the skills of industry practitioners lacking formal qualifications, the Division continues to facilitate the awarding of NVQ Level 3 and 4 certificates based on prior learning. During the period under review, 25 individuals were granted NVQ qualifications following assessment and verification in collaboration with TVEC.

Conducting Technical Workshops in Selected Areas of the Jewellery Sector (Jewellery Assaying and Hallmarking)

The jewellery industry, being a specialized sector that contributes significantly to Sri Lanka's foreign exchange earnings and renowned for its creativity and craftsmanship, plays a vital role in the national economy. Recognizing the importance of enhancing quality assurance and credibility within the industry, the Division has implemented a series of technical workshops on Jewellery Assaying and Hallmarking.

These workshops aim to strengthen the technical capabilities of industry stakeholders, thereby contributing to the establishment of a high-quality, scientifically driven, and internationally trusted jewellery sector in Sri Lanka. To date, two technical workshops have been successfully conducted, while another workshop is scheduled to be held in October 2025, in collaboration with Alliance Finance Company.

Development of the Kandy Regional Centre

With the objective of promoting regional development in the gem and jewellery sector, the Division has initiated measures to expand and enhance the infrastructure and training facilities at the Kandy Regional Centre. The long-term goal of this initiative is to relocate the Centre to a new building, enabling it to conduct a wider range of training programmes more effectively and to accommodate the growing demand for technical education in the region.

Establishment of New Regional Centres – Initiation of a New Centre in Beruwala

As part of the Institute's strategic plan to expand training opportunities across the country, preliminary activities have been undertaken to establish a Gemmology Training Centre at Al Humaizara Central College, Beruwala. This initiative is being implemented in collaboration with the Ministry of Education, Al Humaizara Central College, the Beruwala Gem and Jewellery Traders' Association, and the Institute.

Memoranda of Understanding (MoUs) have been drafted and forwarded to the relevant stakeholders for review. Upon reaching mutual agreement, necessary arrangements will be made to commence operations at the new Centre.

Integration of New Technology to Ensure Quality Training and Education

To improve the quality, accuracy, and efficiency of training delivery and student management processes, the Division is in the process of introducing a **Learning Management System (LMS)** and a **Management Information System (MIS)**. The implementation of these systems is expected to strengthen institutional management, streamline training operations, and support data-driven decision-making for the continuous improvement of educational services.

Implementation of Development Programmes

Designing a Degree Programme to Award Academic Qualifications Related to the Gem and Jewellery Industry

In alignment with the national objective of elevating the quality standards of the gem and jewellery industry, the Division has commenced the development of a special degree programme that provides academic and scientific qualifications in this field.

This degree programme, grounded in scientific principles and modern technological applications, aims to enhance both the technical and creative dimensions of the industry. The curriculum development process is being carried out collaboratively with the Open University of Sri Lanka, Uva Wellassa University, Sabaragamuwa University, University of Moratuwa, and the Institute. The initial curriculum framework has been completed and will be submitted to the University Grants Commission (UGC) for approval.

Development of NVQ Level 5 Qualification for Gem Cutting and Polishing

Currently, the field of Gem Cutting and Polishing in Sri Lanka offers National Vocational Qualifications (NVQ) Levels 3 and 4 only. To strengthen professional qualifications and career advancement opportunities within this trade, the Division has initiated the development of a Diploma-level qualification (NVQ Level 5).

Preliminary planning activities have been completed in collaboration with the Tertiary and Vocational Education Commission (TVEC) and the

National Apprentice and Industrial Training Authority (NAITA). The formal development process is scheduled to commence in **September 2025**.

Introducing an Education and Training Policy Related to the Industry (VET)

To ensure the maintenance of quality standards within vocational education in the gem and jewellery sector, the Division, in collaboration with the Tertiary and Vocational Education Commission (TVEC), has initiated the formulation of a Vocational Education and Training (VET) framework specific to the industry.

33.3 Future Plans - 2026

- Complete the scientific gem potential survey at river basins.
- Developing a geochemical 3D model to visualize the spatial variation of gem potential in the secondary gem bearing profile.
- Developing new treatment methodologies for low quality gems.
- Establishment of analytical methods for the detection of irradiation treated gemstones.
- Publication of the catalogue on Sri Lankan ethnic jewellery designs.
- Conduct a detailed feasibility study on pearl culturing in Sri Lanka.
- Establishment of the international level accredited gem research lab.
- Development of the web applications for gem and jewellery valuation.
- Conducting the GJRTI international research symposium annually.
- Publishing books.

- Implementation of Training and Educational Programmes
 - Conduct training courses related to the gem and jewellery industry through 15 training centres.
 - Organize technical workshops and programmes.
 - Conduct a certificate awarding ceremony for trainees.
 - Introduce approximately 1,500 skilled, technical, and entrepreneurial trainees to the industry for employment.
 - Identify areas for value addition required for the development of the gem and jewellery industry.
 - Conduct awareness and promotional programmes for dissemination of critical technology.
- Implementation of Development Programmes
- Curriculum Development
 - Complete the process of developing the Bachelor's Degree in Gem and Jewellery Technology and proceed with student enrollment for the degree programme.
 - Develop the curriculum for the NVQ Level 5 (Diploma) in Gem Cutting and Polishing.
- Development of Training Infrastructure and Technical Facilities
 - Establish at least two new training centres to expand course delivery and create modern training units equipped with new technology.
 - Creating training units with new technology
 - Provide modern technical facilities required for products' value addition

34

Lanka Sugar Company (Pvt) Ltd

34.1 Introduction

Lanka Sugar Company is a fully government-owned company which operates under the purview of the Ministry of Industries and Entrepreneurship Development and it is one of the largest agriculture-based manufacturing company in the country producing golden brown sugar, ethanol and other by-products.

Then privately owned Pelwatte and Sewanagala sugar factories were acquired by the Government under the Revival of Underperforming Enterprises or Underutilized Assets Act, No. 43 of 2011. Since 2012

both Pelwatte and Sevanagala factories have been operating under Lanka Sugar Company Ltd.

The company obtains sugarcane from the out growers and own estates. Presently there are about 10,000 farmers and 5,367 employees in the company.

34.2 Progress - At the end of September 2025

Performance (Up to 30th September 2025)

Description	Unit	Budgeted	Actual	Variance
Cane Production	Mt.	677,873	510,691	(167,182)
Sugar Production	Mt.	49,543	30,011	(19,532)
RCS	%	7.3	5.9	1.4
Molasses Production	Mt.	32,781	17,517	(15,264)
ENA Production	Ltr.	9,186,125	6,030,657	(3,155,468)

Source: Lanka Sugar Company (Pvt) Ltd

Financial Performance (as at 30.09.2025)

Description	Unit	Budgeted	Actual	Variance
Revenue	Rs.	20,044,399,067	7,687,279,298	(12,357,119,769)
Cost of Sale	Rs.	(15,253,924,538)	(8,016,585,069)	7,237,339,469
Gross Profit	Rs.	4,790,474,529	(329,305,771)	(5,119,780,300)
Other Income Gains	Rs.	65,861,890	297,283,049	231,421,159
Finance Income	Rs.	249,197,450	147,320,934	(101,876,516)
Administrative Expenses	Rs.	(2,417,139,690)	(1,813,675,566)	603,464,124
Finance Cost	Rs.	(186,427,473)	(250,776,115)	(64,348,642)
Net Profit (Before tax)	Rs.	2,501,966,706	(1,949,153,469)	(4,451,120,175)

Source: Lanka Sugar Company (Pvt) Ltd

34.3 Future Plans - 2026

In line with the strategic plan of Lanka Sugar Company (Pvt) Ltd, the Company will focus on efficiency increase and sustainable growth in 2026.

The company expects to achieve the following production targets by 2026.

Description	Unit	2026
Cane Supply	Mt	645,668
Sugar Rendement	%	6.96%
Sugar Production	Mt	44,920
Molasses Rendement	%	4.89%
Molasses Production	Mt	31,595
Molasses Usage	Mt	40,661
ENA Production	Ltrs	10,752,231
ENA Recovery/Mt	Ltrs	264

Source: Lanka Sugar Company (Pvt) Ltd

Main plan for the year 2026

- Introducing a sales, marketing and distribution model for sugar.
- Increase ENA Production
- Maintain RCS above 6.9% by purchasing of fresh cane on time by farmers.
- Implementation of a wastewater treatment project by the National Water Supply and Drainage Board to manage regulatory requirements.
- Increasing ethanol quality with carbon column and other improvements in distilleries.
- Commission a Bio-Fertilizer Plant utilizing press mud and distillery waste
- Commission 1 MW Solar Power System at Sewanagala to enhance renewable energy use.

35

Kantale Sugar Industries Ltd.

35.1 Introduction

- A sugar factory was established in Kantale Seenipura Division in 1957 under the State Industrial Corporations Act No. 49 of 1957, under the name of Kantale Sugar Corporation.
- This company, which was conducting business under the name of Sri Lanka Sugar Corporation, was converted into a state company in 1989 by the Public Companies Act No. 23 of 1987, as per a decision taken by the then government. Since then, it has been conducting business under the name of Sri Lanka Sugar Company.
- As per a decision taken by the Cabinet in 1990, the three factories owned by the Sri Lanka Sugar Company were converted into three independent institutions, three boards of directors were appointed for those three independent institutions, and all the assets of the Sri Lanka Sugar Company were transferred to the three institutions respectively to carry on business under the names of Kantale Sugar Factory Ltd, Hingurana Sugar Factory Ltd, and Sevanagala Sugar Factory, respectively, and the Sri Lanka Sugar Company was liquidated.

- In 1994, due to the closure of the Kantale Sugar Factory and the reduction in the number of employees to 231, personnel were deployed in four zones to protect the houses and resources and a police checkpoint was established in tract (Yaya) 24. Later, this institution was completely taken over by the government through a gazette notification on 28th January 1997.
- The institution owns a total land area of 8,696 hectares, of which 4,887 hectares have been developed for sugarcane cultivation. Additionally, 2650 hectares are covered by forest and the remaining 1159 hectares are consisted with houses, canals, roads, and drainage systems.
- This factory has a daily crushing capacity of 1200 metric tons of sugarcane and can produce 16320 metric tons of sugar annually by crushing 192000 metric tons of sugarcane in 160 days of the crushing season. Furthermore, the distillery can produce 30 metric tons of molasses daily and 9000 metric tons of sugar annually.
- Currently, a problematic situation has arisen due to several factors: the number of workers has decreased further, there is a lack of transport facilities, and wild elephants have destroyed parapet walls. Additionally, lands that were allocated to 647 individuals for sugarcane cultivation are now being used for paddy farming and gem mining, with the necessary permits.
- Currently, the lands belonging to this factory have been handed over to the Commissioner General of Lands and distributed to the people for farming purposes under the administration of the District Secretary of Trincomalee, under the supervision of the Assistant Commissioner of Lands, Kantale.

36

Galoya Plantations (Pvt) Ltd

36.1 Introduction

Galoya Plantations is the company formed as a joint venture between the Government of Sri Lanka and the consortium, where 51% of the ownership retains with the Government of Sri Lanka and 49% of the ownership to the consortium consists with Brown and Company PLC (BCL) and LOLC Holdings PLC (LOLC) to revitalize the former Hingurana Sugar Industries. The management of Galoya Plantations was given to the private sector under an agreement.

The Galoya Plantation Company, which is currently operating successfully, employs about 1,250 direct workers and engages 8,403 farmers in sugarcane cultivation on 7,766 hectares of agricultural land, while over 60,000 people have gained indirect employment opportunities from this project. The Galoya Plantation Company has not only revitalized the industry and created jobs for thousands, but has also been able to turn it into a profitable enterprise. Productivity has also been increased by using modern machinery and proper agricultural methods.

In addition to sugar production, this industry also produces ENA, organic fertilizer, electricity generation and carbon dioxide (CO₂) as its by-products. Galoya Plantation Company also owns the largest organic fertilizer yard in Sri Lanka. Among the projects to be implemented by Galoya Plantation Company, the sugar factory expansion project, the solar energy project and the carbon dioxide production project have been completed and are being operated very successfully.

Galoya Plantation is a major contributor to the economy of Digamadulla. The management of Galoya Plantation is working with a broad vision to utilize all available resources for value-added production by increasing efficiency in all areas such as land use, cultivation and its services, production operations, employment opportunities, financial sector and general administrative activities. Without limiting factors, the management has already initiated product improvement to position Galoya Plantation as a 360° diversified eco-friendly industry as a model for Sri Lankan industry.



36.2 Progress - At the end of September 2025

The progress of Galoya Plantations (Pvt) Ltd. for the period from January to September (9 months) 2025 is shown below. According to the data shown, details regarding sugarcane cultivation areas, number of sugarcane farmers, sugar, ENA, organic compost and carbon dioxide (CO₂) production and energy generation are given below.

Basic performance

Description	Quantity
Cultivated area (hectares)	11,005
Number of farmers	11,613
Sugar cane supply (for crushing) (Mt)	348,847
Sugar production (Mt)	20,819
Sugar Renderment (%)	6.15
ENA production (Ltr)	3,206,427
Compost production (Mt)	4,503
Power Generations (MWh)	26,695
Solar Power Generation (MWh)	2,144
Bio Gas Production (Kg)	624,841

Source: Galoya Plantations (Pvt) Ltd

The Sri Lankan sugar industry is currently facing severe financial challenges that threaten its survival. The sugarcane industry has been facing a serious financial crisis due to the recent decline in sugar and ENA market prices. High production costs and low market returns have put immense pressure on the financial position of the industry.

Even if the price of sugar and ENA falls, it is not possible to reduce the price paid per ton of sugarcane for the farmers involved in the industry, and these sugar manufacturing institutions have no other option but to bear the financial difference.

Furthermore, the sugar manufacturing institutions have had to bear the imbalance in production costs and the foreign exchange rate, which has further exacerbated the financial crisis of these institutions.

Unless the government intervenes directly and takes immediate action, the future of the sugar industry may be very uncertain. This will result in the loss of local production to the country and the destabilization of a large number of direct and indirect jobs created around 60,000 this local industry, including sugarcane farmers.

Note:

All the above data is from 2025.01.01 to 2025.09.30. Since our financial year is from 2025.04.01 to 2026.03.31, the following financial sector data is presented for the period 2025.04.01 – 2025.09.30.

Financial Sector

Statutory Payment Status

Description	Paid (Rs.)
Social Security Contribution levy	56,338,946
Excise Duty on Molasses Consumption	70,318,182
EPF & ETF	41,688,566
Stamp Duty	98,100

Source: Galoya Plantations (Pvt) Ltd

Financial progress

Description	2025/26 (09 Months) Value (Rs.Mn.)
Revenue	3,459.68
Gross Profit	1,014.92
Earnings before interest, taxes, depreciation and amortization (EBITDA)	707.19
Operating Cost	20.64
Net Finance Cost	1832.40
Net Profit/Loss	(1,811.76)
Total Assets	35,295.02
Retained Earnings	(1,984.07)
Total Equity	4,416.12

Source: Galoya Plantations (Pvt) Ltd

36.3 Future Plans - 2026

- The initial work to start the liquor bottling plant is currently underway.
- Production is planned to commence in 2026.

37

Sugarcane Research Institute (SCRI)

37.1 Introduction

The research program of the Sugarcane Research Institute (SRI) was carried out under eight major areas, with the objective of enhancing the productivity, profitability, and sustainability of Sri Lanka's sugarcane industry, thereby strengthening its competitiveness:

- Crop Improvement
- Crop and Resource Management
- Crop Nutrition
- Crop Protection
- Processing and Product Development
- Mechanization
- Economic. Biometry and IT
- Technology Transfer

Two new sugarcane varieties from the 2007 series were released for commercial cultivation in 2025. About 470 accessions were mericlone for clean seed production, and field trials were expanded to cover organic nutrition, ratooning, maturity studies, and drone-based weedicide application. Analytical services processed more than 100 soil, leaf, and cane samples. Over 10 farmer and industry training programs were conducted, reaching more than 250 participants, and nearly 15 tons of Seedcane were distributed to farmer organizations for jaggery and syrup production.

37.2 Progress - At the end of September 2025

Crop Improvement

- SRI was able to produce two new sugarcane varieties from 2007 series, SL 07 3505 and SL 07 3498, were released for commercial cultivation.
- Over 2,600 germplasm accessions were conserved at Enselwatta (1,660) and Uda Walawe (950).
- About 470 accessions were mericlone for clean seed production.
- RNA extraction, cDNA synthesis, and PCR were completed for gene expression studies, while DNA extraction was carried out for hybrid identification.
- Multi-stage testing of clones from the 2018–2024 series was advanced through PYT, RYT, and multiplication plots in different agro-ecological zones.

Crop and Resource Management

- New trials were established to study maturity patterns, planting methods, ratoonability, and foliar nutrient application.
- Completion of evaluations and submitting reports for ROP for new weedicide testing on, Saflufenacil 68 g/L + Dimethenamid-P 600 g/L Herbicide.

- Guidelines for drone-based weedicide application were initiated, and new herbicides were evaluated.
- The Kilinochchi development project expanded with new plantations, replanting of nurseries, and farmer training programs.

Crop Nutrition

- Soil surveys and digital mapping were completed at Hingurana and Ethimale, leading to interim fertilizer recommendations.
- Site-specific fertilizer management studies were carried out using GIS mapping and soil sampling at Sevanagala.
- Organic-based nutrition trials were continued on sugarcane varieties SL 96 128 and Co 0775.
- Nitrogen-enriched carbon fertilizer was produced from sugarcane boiler ash for field-level testing.
- Analytical services were provided for soil, leaf, cane, and jaggery samples to support research divisions, plantations, and external clients, including Customs.

Crop Protection

- The trap crop *Erianthus* (IND 8180) exhibited a higher level of leaf infestation compared to sugarcane, showing potential to trap moth borers.
- Entomopathogenic fungi including *B. bassiana* and *Metarhizium* were isolated and studied for controlling borers, termites, and WLD vectors.
- Plant-based pellets were developed and field-tested for termite control.
- Varieties from multiple series (2012, 2013, 2014, 2015, and 2016) were screened for resistance to Smut, LSD, and WLD.
- Crop protection services were provided to industries and farmers, including field inspections and WLD vector population surveys.

Processing Technology

- Research was conducted on sugarcane-based value-added products such as wine, mint-flavored jaggery, organic syrup, and edible-grade fiber from bagasse.
- Trials were carried out to study the impact of organic cultivation on the quality of jaggery.
- Microorganisms were sub-cultured and analyzed for potential bio-fertilizer formulation.
- A bagasse feeding table was designed to improve furnace efficiency.

- Post-harvest losses and burner efficiency were measured in selected sugarcane varieties.

Mechanization Technology

- Hot Water Treatment (HWT) plants at SRI, Gal-Oya, and Lanka Sugar Pelwatte were maintained and evaluated.
- Urgent repairs and energy efficiency improvements were carried out on HWT systems.
- Fertilizer applicators for organic pellets and fertilizer dust were evaluated in field trials.
- Mechanization research was conducted in collaboration with Gal-Oya and Hingurana plantations.

Economics, Biometry, and IT

- A farmer survey questionnaire was prepared for supply chain analysis of the sugar industry.
- The commercial value of sugarcane in 2024 was estimated across different processing units.
- Cost-benefit analyses of sugarcane cultivation were updated for various mill areas.
- Biometric support was provided for field trial design, statistical validation, and data analysis.
- IT services were strengthened through network upgrades, repairs, and institute-wide support.

Technology Transfer and Development

- Nearly 16 tons of Seedcane were distributed to farmer organizations for jaggery and syrup production projects.
- More than 10 training and awareness programs were conducted, benefiting over 250 participants, including farmers, industry staff, and students.
- Workshops on drone technology and ICT applications were organized for sugar industry stakeholders.
- Demonstration and varietal plots, including SL 00 652 and SL 96 128, were maintained at SRI farm.
- Publications such as the SRI Newsletter (Vol. 13) and the SRI Annual Report 2023 were finalized and distributed.

37.3 Future Plans - 2026

- Characterization of sugarcane germplasm.
- Soil characterization of Hingurana and Ethimale
- Development of digital soil maps for the Hingurana sugarcane growing area
- Establishment of product outlet
- Development of NVQ certificate courses for stakeholders
- Providing recommendations for spray drone application for sugarcane cultivation
- Commercialization and obtaining IPs for research developed products and protocols

38

Sri Lanka Export Development Board (SLEDB)

38.1 Introduction

The Sri Lanka Export Development Board (EDB), established in 1979 under the Sri Lanka Export Development Act No. 40, serves as the apex institution for the development and promotion of Sri Lanka's exports. In fulfilling its mandate, the EDB functions as a policy advisor, monitor, promoter, facilitator, and knowledge provider. The organization has adopted a renewed strategic direction aimed at achieving foreign exchange earnings of US\$ 18.2 billion from merchandise and services exports by 2025, in line with the Government's development priorities.

During the period January to September 2025, Sri Lanka's total export earnings, including both merchandise and services, reached US\$ 12.96 billion, reflecting a 6.7% increase compared with the same period in 2024. By the end of September, 70.86% of the annual target of US\$ 18.2 billion had been achieved, underscoring both the resilience of Sri Lanka's export sector and the effectiveness of the EDB's strategic initiatives.

38.2 Progress - At the end of September 2025

The EDB planned 126 activities under seven projects: Policy Initiatives, Market Intelligence and Export-Led Investment, Trade Promotion, Branding, Trade Facilitation, SME Development, and Information Technology. By the end of September 2025, 55% physical progress was achieved, utilizing the budget of Rs. 130.39 million out of the Rs. 300 million allocated for the year 2025. Many of the activities were carried out as public and private sector collaboration and private sector contribution was Rs. 373.1 million, while donor contribution was reported as Rs. 36.8 million. Key achievements included the convening of the Export Development Council of Ministers taken steps to resolve lots of industry and policy issues. Formulation of the National Export Development Plan 2025–2029 is another important initiative.

Government Coordination on Exports

In response to the mounting challenges faced by exporters, the Export Development Council of Ministers (EDCM) was convened under the chairmanship of His Excellency the President and with key line ministers and senior government officials, the Council reinstates high-level engagement on export development. It underscores the Government's determination to address structural bottlenecks and strengthen Sri Lanka's global competitiveness in pursuit of the ambitious target of US\$ 36 billion in exports by 2030. During 2025, two meetings were convened at the Presidential Secretariat, where discussions focused on revitalizing domestic industries, attracting foreign direct investment, accelerating the

transition to an export-led economy, and creating a supportive environment through lower costs and improved infrastructure.

Meetings convened at the Presidential Secretariat



Key initiatives introduced during these meetings included a VAT refund system for tourists, the establishment of automated export inspection facilities at Katunayake Airport, and approval for local inspection of railway engines. The Council also prioritized renewable energy adoption and the integration of modern technologies to reduce production costs and enhance competitiveness. Additional measures included targeted support for the gem and jewellery sector, customs concessions for electronics manufacturers, the digitalization of export-related processes, and an increase in bank guarantee limits for service exports. Collectively, these reforms demonstrate a strong commitment to empowering exporters and driving structural transformation in Sri Lanka's trade landscape.

At the second meeting, chaired by H.E. the President Anura Kumara Disanayake, progress on these measures was reviewed, with priority given to gems and jewellery, pharmaceuticals, poultry, tea, and spices. The Council further advanced initiatives to develop the Trincomalee Port, promote the

Export Hub concept, attract new export-related investments, and address the tariff structure.

National Export Development Plan 2025–2029

The EDB, in collaboration with the Asian Development Bank (ADB) under the Ministry of Industry and Entrepreneurship Development's Policy-Based Lending Programme, has initiated the National Export Development Plan (NEDP) 2025–2029. Building on the National Export Strategy (NES) 2018–2022, the NEDP provides a data-driven framework to strengthen Sri Lanka's export sector, emphasizing digital transformation, sustainability, trade facilitation, global competitiveness, infrastructure enhancement, and technological innovation. Insights from stakeholder consultations in April and June 2025, along with further input from across the trade ecosystem, are guiding the plan's development. Two structured consultation missions are scheduled between September and November 2025, focusing on six thematic areas: trade logistics; trade facilitation; standards, quality, and sustainability; trade finance and investment climate reform; trade promotion and market linkages; and entrepreneurship, innovation, and skills, with integrated digital trade infrastructure considerations. The NEDP 2025–2029 is expected to be finalized by end-2025, providing a comprehensive framework to achieve USD 36 billion in exports by 2030, positioning Sri Lanka's export sector for resilient, inclusive, and sustainable growth and deeper global market integration.

Export Promotion

Organizing Sri Lanka Participation at International Trade Events

In 2025, the EDB facilitated the participation of over 142 Sri Lankan companies, including 66+ SMEs, at major international trade fairs such as Gulfood, Biofach, IFE (UK), Hong Kong Gift & Lifestyle Fair, Natural & Organic Product UK, Foodex Saudi 2025, Seafood Expo Global, SIAL Canada, Japan IT Week, Thaifex Anuga Asia, and Middle East Rubber & Tyre Expo, strengthening market reach and global visibility.

International Trade Events



Local Trade Events

Domestic trade engagement was promoted through local events. At the Complast Rubber Expo 2025, EDB stalls facilitated business interactions and showcased Sri Lanka's industrial capabilities. The Footwear & Leather Fair 2025 was successfully conducted from 6th to 9th February at BMICH, with participation from 7 SME companies under the EDB pavilion. The exhibitors connected with 38 new business contacts, achieving total sales of LKR 1.9 million. The fair attracted 26,900 visitors during the exhibition period.

Exposure and Capacity-Building Programs

The EDB strengthened exporter capacity by organizing technical and market visits in Thailand, Germany, and Japan for SMEs and women entrepreneurs, offering practical insights into market trends and export requirements. Eastern Province forums benefited 250+ entrepreneurs, enhancing skills, knowledge transfer, and export readiness.

The Handicrafts, Giftware, Lifestyle, and Toy Awareness Session engaged 100 SMEs, covering export opportunities, packaging, e-marketing, logistics, and experience sharing by industry leaders.

The EDB and JICA, in a strategic partnership launched in 2024, support 30 Sri Lankan ICT/BPM SMEs and startups with market intelligence, coaching, matchmaking, a Proof of Concept (POC) grant scheme, and ToT training—extended through 2026—to drive innovation, technological exchange, and strengthened trade ties with Japan.

In September, the National Organic Control Unit (NOCU) held its fourth island-wide program in Anuradhapura, educating participants on organic certification (SLS 1324:2018), sustainable practices, and digital marketing to boost organic exports.

Exporter Facilitation

The 25th Exporters' Forum, chaired by the Hon. State Minister of Industry & Entrepreneurship Development, addressed 37 issues, resolving two and providing directions for the others. The Minister highlighted the government's commitment

to supporting exporters and fostering collaboration between the public and private sectors to enhance Sri Lanka's export competitiveness. The event was attended by key ministers, officials, and representatives from various sectors, marking a significant step in advancing the country's export agenda.

Special Activities

The 26th Presidential Export Awards Ceremony, held in February 2025, recognized excellence in Sri Lanka's export sector. The event hosted 1,500 invitees, including the President, ministers, and diplomats, celebrating achievements and reinforcing the importance of exports in the national economy.

At the 26th Presidential Export Awards 2023/24, a total of 82 awards were presented to exporters, including 62 main awards (14 Overall and 48 Sectoral under Industrial, Agricultural, Services, and Sector categories) and 20 Merit Awards. Such high-profile activities enhance stakeholder engagement and demonstrate the government's commitment to promoting a culture of excellence in trade.

Presidential Export Awards Ceremony 2025



The EDB and Germany's Import Promotion Desk have expanded their partnership to include Sri Lanka's digital products and services sector, in addition to ongoing support for natural ingredients and processed foods, providing SMEs with EU market access, sustainability and regulatory training, advisory services, business coaching, matchmaking, and participation in trade fairs and sourcing missions; the program also empowers women-led businesses, enhances EDB's advisory capacity, and strengthens Sri Lanka's export competitiveness in European markets.

38.3 Future Plans - 2026

In alignment with national development goals and the Government of Sri Lanka's ambitious target of achieving **US\$ 36 billion in export revenue by 2030**, the Sri Lanka Export Development Board (EDB) is formulating a Comprehensive Corporate Plan for the period 2025–2030. This strategic plan is designed to modernize, expand, and enhance the country's export sector by implementing a series of impactful and sustainable initiatives.

Flagship Projects (2026–2028)

As part of its strategic roadmap for 2025–2030, the EDB has received government approval to implement two flagship projects aimed at significantly boosting Sri Lanka's export performance. The first project, **Sri Lanka Expo 2026**, is a high-impact international trade event scheduled for 2026 with an estimated investment of Rs. 450 million. This initiative is expected to generate US\$ 1,000 million in foreign exchange earnings by showcasing the country's export

potential to global buyers, investors, and stakeholders.

The second project, **Creative Sri Lanka 2030**, targets the development and promotion of ten Sri Lankan brands in the creative industry. With a planned investment of Rs. 21 million, this project aims to generate US\$ 3 million in export revenue by 2026, enhancing the visibility and competitiveness of Sri Lankan creative products in international markets.

Additionally, an ongoing initiative, the **National Export Brand Development Programme**, will continue over the next three years, with Rs. 20 million allocated for the upcoming year. This project is expected to yield an export income of US\$ 50 million, focusing on strengthening the national export brand and improving global market positioning.

Key Strategic Actions and Initiatives (2025–2030)

To support the successful implementation of its corporate plan, the EDB has outlined a series of key strategic actions and initiatives to be carried out between 2025 and 2030. One of the most significant undertakings is the collaboration with the **Asian Development Bank (ADB)** to implement the **National Exports Development Plan**, which serves as the master project guiding Sri Lanka toward the national export target of US\$ 36 billion by 2030. The EDB also plans to activate the **Export Development Council of Ministers (EDCM)**, which will hold two meetings per year to address policy-level export issues, with a session planned for 2026.

In parallel, over **50 Exporter Awareness and Capacity Building Programmes** will be conducted to enhance knowledge and competencies among local exporters. The **Exporters' Forum**, scheduled to be held four times annually, will provide a structured platform for resolving exporter-specific challenges and facilitating dialogue. Furthermore, the **Sri Lanka Export Finance Facilitation Programme (SLEFFP)** will offer targeted financial assistance to 100 exporters for international market entry activities, while also supporting 70 companies with essential certifications, technology upgrades, packaging, and labeling improvements. The EDB will also continue its tradition of hosting the **Presidential Export Awards** to recognize and encourage excellence within the export community. Complementing these efforts, a series of **local and international trade fairs, business delegations, and B2B meetings** will be organized to expand market access and promote Sri Lankan products globally. Collectively, these initiatives are designed to create a robust, export-friendly environment that drives growth, resilience, and global competitiveness for Sri Lanka's export sector.

Through the execution of these strategic initiatives and projects, the EDB is committed to **creating an enabling environment that supports exporters, enhancing Sri Lanka's global market presence, and fostering long-term, inclusive economic growth**. The EDB's vision is to position Sri Lanka's export sector as a **dynamic, competitive, and resilient force in the global marketplace** by 2030.

39

National Productivity Secretariat

39.1 Introduction

The National Productivity Organization (NPO) was established in Sri Lanka after the country became a member of the Asian Productivity Organization (APO). In 1994, the National Productivity Secretariat (NPS) was established to expand and strengthen the productivity movement in the country. At present, NPS comes under the purview of Ministry of Industry and Entrepreneurship Development. With the establishment of this institution, the decade from 1997-2006 was declared as the “Productivity Decade”. During this

period, through the dedicated efforts and contributions of NPS, a culture of productivity was fostered across various institutions and communities. The activities such as trainings, promotions, consultancy services, collaboration programs with APO, media programs, competitions and awards etc. were transferred by NPS, to develop productivity concepts, tools and technology in particular institutions and community. Mainly, at present, various projects, programs, activities etc. are implemented annually for the organizations in public, education, service and manufacturing, SME and community sectors.

Progress Report - 2025

Through continuous collaboration with Asian Productivity Organization, Seminars, Technical Expert Services (TES), various projects, researches, best practice sharing programs, training programs etc. are being implemented and these initiatives collectively contribute to create an environment conducive to building a “Knowledge Based Society”.

Main Functions

- Develop Human Capital & Organizational Excellence through Training & Consultancy
- Conduct National Productivity Competition and Awarding Ceremony
- Enhancement of capacity building in collaboration with Asian Productivity Organization (APO)
- Conduct productivity promotion programs for Public, Manufacturing & Services, Education, Small & Medium Entrepreneurs and Community sectors.

- Develop Productivity Specialists and conduct certification programs for organizations
- Implementing unique programs tailored to various fields
- Conduct media and propaganda programs

39.2 Progress - At the end of September 2025

Financial Progress

Recurrent & Capital Expenditure

Description	Estimates Rs. MN.	Actual Expenditure Rs. MN.	%
Recurrent	664.100	485.183	73%
Capital	83.000	33.788	41%

Source: National Productivity Secretariat

Physical Progress

Project	Activity	KPI	Number achieved	Financial progress %
1. Develop Human Capital & Organizational Excellence through Training & Consultancy	Advanced Certificate Course on Public Sector Productivity Certificate Course in Productivity and Business Process Re-engineering	No. of modules conducted	24	52%
	Conducting trainings for 5S Auditors Conducting Capacity Development on Productivity to develop productivity specialists Professional Certificate Course on Productivity and Process improvement Conducting training programs for PDOs on Productivity Empowerment of Small and Medium Enterprises Program and Community Productivity Program	No. of programs conducted	14	
	Basic Certificate Course on Productivity and Innovation	No. of courses conducted	44	

Progress Report - 2025

Project	Activity	KPI	Number achieved	Financial progress %
2. Enhancement of capacity building in collaboration with Asian Productivity Organization (APO)	Conducting Trainings, Conferences, Workshops, Special programs, Researches, Technical Expert Services (TES) etc.	No. participated for trainings No. of conferences held No. of researches conducted No. of TES programs conducted	137 01 03 01	32%
3. Enhancing Productivity Promotion in the country	Symposium on productivity Conducting key activities related to national productivity competition To establish model villages for community productivity Empowering SME's through Productivity and Field monitoring activities of small and medium enterprises Conducting Webinars on Productivity	No. conducted No. of key activities conducted No. of programs conducted No. of programs conducted No. of webinars conducted	01 04 06 09 09	36%
4. Accreditation & Certification on Productivity	Conducting Audits for 5S Certification program Conducting NPS Certification Body	No. of audits conducted No. of processed application	17 13	35%
5.1 Sector specific programs on Productivity	Conducting Regional level Productivity and Quality index for Divisional Secretariat Implementing productivity concepts and tools as per institutional requests Conducting Health Care and Quality Improvement program	No. of programs conducted No. of hospitals participated	63 03	3%
Total Financial Progress				34%

Process Improvement in Public Sector



Criteria Explanation Program of National Productivity Competition



Capacity Development to Create Productivity Specialists



Community Productivity Program

Regional level Productivity and Quality index for Divisional Secretariats



5S Certification Program



39.3 Future Plans - 2026

National Productivity Competition and Awarding Ceremony

The inaugural ceremony was held on 15th May 2025 and at present 5252 institutions have been registered under the categories of public, service and manufacturing and schools. An awarding ceremony for the winning organizations will be held in year 2026.

Community Productivity Program

In line with the national policy of “A modern life – wealthy nation”, this program has been implemented with the objective of empowering the citizens of the country through household productivity, thereby enabling them to achieve a higher quality of life. This program is scheduled to be carried out 2025 - 2027 period, focusing on all Divisional Secretariats. Based on key components such as education, economy, health & sanitation, household management and social well being, cultural and spiritual development, and environmental conservation etc., the project aims to create the nation enriched with knowledge, skills and attitudes, while developing model villages across the country.

National Program on Development of 1000 Entrepreneurs (4i Program)

The above mentioned national program has been implemented in collaboration with the Ministry of Industry and Entrepreneurship Development and the National Productivity Secretariat, with the objective of engaging young entrepreneurs more

effectively in the country's economic development. In 2025, suitable SME organizations were identified across 17 districts.

The areas requiring productivity enhancement will be identified through an analysis of key aspects such as products, consumer needs, human resources, and financial management. The empowerment of Selected entrepreneurs and the promotion of enterprises targeting foreign markets will be carried out in 2026.

Symposium on Productivity

This program commenced in 2024, and is scheduled to continue in year 2025 and 2026. The submitted research papers will be evaluated by an expert panel and published as a part of the symposium proceedings.

NPS Certification Body conducted in collaboration with Asian Productivity Organization

This program is implemented to accredit productivity professionals in accordance with the standards of Asian Productivity Organization. It provides opportunities for productivity professionals in Sri Lanka to integrate into the international value chain.

Citizen Mirror – Divisional Productivity Index - 1.0

This initiative will assess the effectiveness of Divisional Secretariats, which are recognized as the most important public service delivery institution in Sri Lanka. The initial phase commenced in 2024 and implementation mechanism will be in 2025 - 2026 period.

40

Small Enterprises Development Division

40.1 Introduction

The Small Enterprises Development Division was established in 1982 under the Ministry of Youth Affairs and Employment with the objective of developing entrepreneurial skills among Sri Lankan youth and enabling them to become active contributors to the national economy. Over the past four decades, the Division has gained extensive experience in the field of small enterprise and entrepreneurship development. The Division has a total of 1,023 institutional and field officers, with offices established in all districts across the country. Development officers are assigned to divisional secretariat offices, ensuring the expansion of entrepreneurship development services to the grassroots level.

Main Functions

From 2024 onwards, the Small Enterprises Development Division has been operating under the Ministry of Industry and Entrepreneurship Development. In alignment with government policies, the Division aims to raise the contribution of entrepreneurship to economic development from 3.2% in 2024 to 10% by 2030. To achieve this target, the Ministry has designed a strategic plan, and the Division has been assigned to implement the “Business Level Up” program starting in 2025. Under this program, services are planned to support the development of high-growth and export-oriented enterprises.

Progress Report - 2025

40.2 Progress - At the end of September 2025

Utilization of Allocated Provisions

No	Description	Allocated Provisions (Rs. Mn)	Finance Progress as at 30.09.2025	
			(Rs. Mn)	%
01	Capital Expenditure	221.00	72.244	32
02	Recurrent Expenditure	930.00	620.260	66
	Total	1,151.00	692.504	60

Source : : Data Base-Small Enterprises Development Division, 2025

Progress of Development Programs

No	Program	Allocated Provisions (Rs. Mn)	Finance Progress as at 30.09.2025		Physical progress %
			(Rs. Mn)	%	
01	Youth Empowerment Program	150.00	54.00	36	55

Source : : Data Base-Small Enterprises Development Division, 2025

Progress of Key Performance Indicators (KPIs)

No	Main Key Performance Indicator	Target	Achievement	%
01	Development of Exsisting Businesses	3,400	410	12

Source : : Data Base- Small Enterprises Development Division, 2025

Progress of Sub-Performance Indicators

No	Key Performance Indicators	Target	Achievement	%
01	Individual Technology	3,000	634	21
02	Packaging	2,000	498	24
03	Quality Certificates (GMP/NVQ/SLS/GAP/Patent))	500	44	8
04	Market Linkages	5,073	2,620	51
05	Logo Designing	2,311	716	30
07	Business Plan Preparation	4,000	1,542	38
08	Costing	5,000	2,033	40

Source : : Data Base- Small Enterprises Development Division, 2025

Online Program – Z Class

No of Programs	101
Participation	2598

The **Z Class** program was introduced as an initiative to provide entrepreneurs with up-to-date information required to overcome challenges and navigate the prevailing crisis situation. Through this program, entrepreneurs were given access to the necessary knowledge via an online platform. The sessions were conducted twice a week, from 10.00 a.m. to 12.00 noon.

Entrepreneurship Development Program



Buyer Seller Meeting



Business Digitalization Program



40.3 Future Plans - 2026

In 2025, services will continue to be provided to meet the business development needs of 3,400 selected entrepreneurs for the further growth of their enterprises. In addition, it is expected to support the development of 3,750 entrepreneurs during the year 2026.

1. Implement the proposed Entrepreneur Development Program for 2025, with necessary revisions and improvements.
2. Provide continuous business advisory services for the enterprises selected for development.

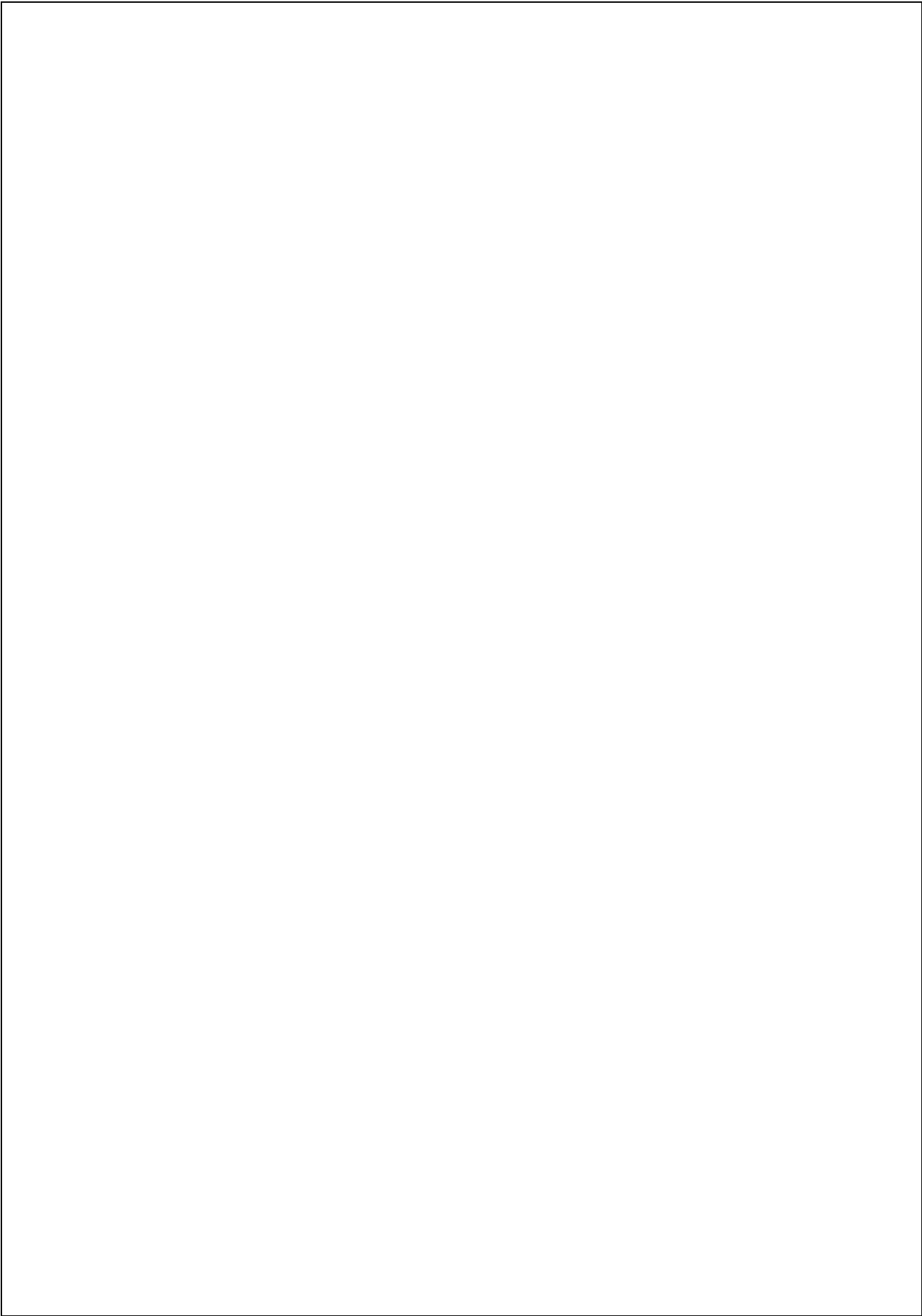
3. Organize both physical and online market access facilities to support the sales of entrepreneurs' products.

4. Implement a special program to prepare export-oriented enterprises for international markets.

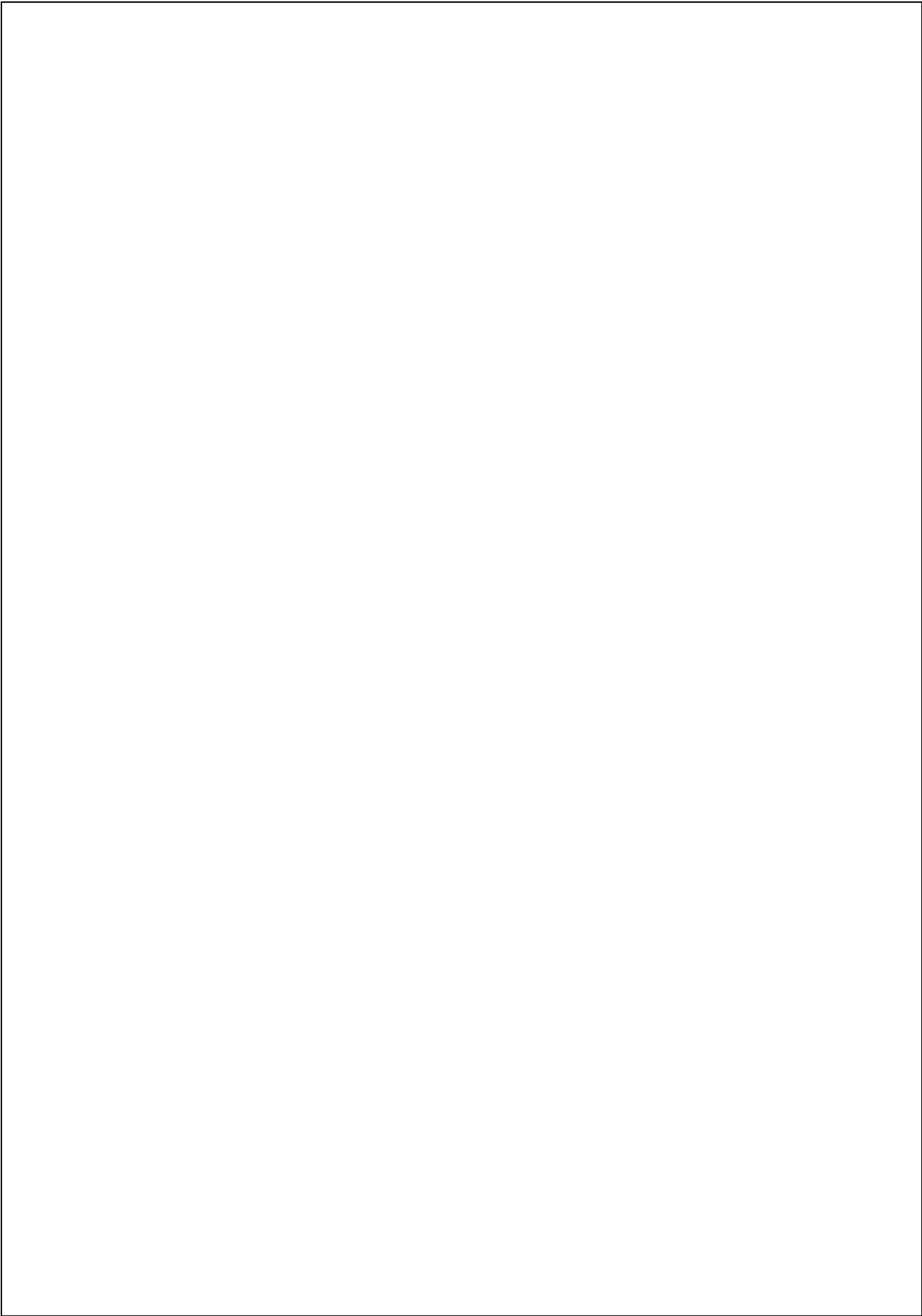
5. Facilitate product development and buyer-seller meetings according to business sectors.

6. Establish and strengthen Entrepreneurship Development Committees at divisional, district, and national levels to address business-related issues.

7. Undertake capacity building programs for officers engaged in relevant sectors of enterprise development



Financial Progress



Progress Report - 2025

1. Head 149: Ministry of Industry and Entrepreneurship Development

Budget Estimate & Expenditure for 30.09.2025

Programme : 01 Operational Activities
Project : 01 Minister's Office

Sub mtr	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Personal Emoluments	32,200,000.00	19,836,782.02	12,363,217.98	62%
0	1001	Salaries and Wages	20,000,000.00	12,088,704.52	7,911,295.48	60%
0	1002	Overtime and Holiday Payments	4,200,000.00	2,274,820.00	1,925,180.00	54%
0	1003	Other Allowances	8,000,000.00	5,473,257.50	2,526,742.50	68%
		Travelling Expenses	5,000,000.00	3,100,200.42	1,899,799.58	62%
0	1101	Domestic	2,000,000.00	972,733.10	1,027,266.90	49%
0	1102	Foreign	3,000,000.00	2,127,467.32	872,532.68	71%
		Supplies	19,700,000.00	10,382,748.70	9,020,551.30	53%
0	1201	Stationary and Office Requisites	2,000,000.00	611,161.46	1,388,838.54	31%
0	1202-10	Fuel for other purposes	400,000.00	102,600.00	297,400.00	26%
	1202-02	Fuel Allowance	17,000,000.00	9,665,687.24	7,334,312.76	57%
0	1203	Uniforms	-	-	-	0%
0	1205	Other	300,000.00	3,300.00	-	1%
		Maintenance Expenditure	9,400,000.00	8,386,844.55	1,013,155.45	89%
0	1301	Vehicles	8,500,000.00	7,865,331.47	634,668.53	93%
0	1302	Plant, Machinery and Equipment	600,000.00	498,563.08	101,436.92	83%
0	1303	Buildings and Structures	300,000.00	22,950.00	277,050.00	8%
0	1304	Software	-	-	-	0%
		Contractual Services	9,000,000.00	4,637,511.30	4,362,488.70	52%
0	1401	Transport	1,300,000.00	627,315.03	672,684.97	48%
0	1402	Postal and Telecommunication	1,700,000.00	722,901.13	977,098.87	43%
0	1403	Electricity and Water	1,500,000.00	1,476,907.38	23,092.62	98%
0	1405	Cleaning & Janitorial Services	600,000.00	512,892.10	87,107.90	85%
0	1407	Security Services	400,000.00	400,000.00	-	100%
0	1409-138	Machinery & Office Equipment Service Agreement	800,000.00	65,059.55	734,940.45	8%
	1409-139	Vehicle Insurance	1,500,000.00	3,811.87	1,496,188.13	0%
	1409-140	Miscellaneous Services Expenditure	1,200,000.00	828,624.24	371,375.76	69%
		Transfers	1,000,000.00	827,567.75	172,432.25	83%
0	1502	Retirement Benificts	1,000,000.00	827,567.75	172,432.25	83%
		Other Recurrent Expenditure	-	-	-	0%
0	1701	Losses and Write Off	-	-	-	0%
		Recurrent Total	76,300,000.00	47,171,654.74	28,831,645.26	62%
		Capital Expenditure				
		Rehabilitation & Improvements of Capital Assets	7,000,000.00	233,150.00	6,766,850.00	0%
0	2001	Buildings and Structures	1,000,000.00	-	1,000,000.00	0%
0	2002	Plant, Machinery & Equipment	1,000,000.00	-	1,000,000.00	0%
0	2003	Vehicles	5,000,000.00	233,150.00	4,766,850.00	0%
		Acquisition of Fixed Assets	2,000,000.00	8,000.00	1,992,000.00	0%
0	2102	Furniture & Office Equipment	1,000,000.00	8,000.00	992,000.00	0%
0	2103	Plant, Machinery & Equipment	1,000,000.00	-	1,000,000.00	0%
		Capital Total	9,000,000.00	241,150.00	8,758,850.00	0%
		Full Total	85,300,000.00	47,412,804.74	37,590,495.26	56%

Progress Report - 2025

Programme : 01 Operational Activity
Project : 18 Export Development Unit

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Personal Emoluments	233,000,000.00	144,463,274.99	88,536,725.01	
0	1001	Salaries and Wages	133,000,000.00	96,820,064.52	36,179,935.48	73%
0	1003	Other Allowances	100,000,000.00	47,643,210.47	52,356,789.53	48%
		Travelling Expenses	1,500,000.00	76,149.00	1,423,851.00	
0	1101	Domestic	1,500,000.00	76,149.00	1,423,851.00	5%
		Supplies	1,800,000.00	535,899.50	1,264,100.50	
0	1201	Stationary and Office Requisites	1,800,000.00	535,899.50	1,264,100.50	30%
		Transfers	700,000.00	429,909.82	270,090.18	
0	1506	Property Loan Interest to public servant	700,000.00	429,909.82	270,090.18	61%
		Total Expenditure	237,000,000.00	145,505,233.31	91,494,766.69	61%

Progress Report - 2025

Programme : 01 Operational Activities
Project : 19 National Productivity Secretariat

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Personal Emoluments	551,500,000.00	416,468,462.56	135,031,537.44	76%
0	1001	Salaries and Wages	325,000,000.00	282,366,052.07	42,633,947.93	87%
0	1002	Overtime and Holiday Payments	1,500,000.00	1,144,171.90	355,828.10	76%
0	1003	Other Allowances	225,000,000.00	132,958,238.59	92,041,761.41	59%
		Travelling Expenses	21,400,000.00	9,783,080.76	11,616,919.24	46%
0	1101	Domestic	19,400,000.00	9,055,405.52	10,344,594.48	47%
0	1102	Foreign	2,000,000.00	727,675.24	1,272,324.76	36%
		Supplies	7,300,000.00	2,750,050.74	4,549,949.26	38%
0	1201	Stationery and Office Requisites	2,000,000.00	770,394.74	1,229,605.26	39%
0	1202-09	Fuel for other purposes	3,760,000.00	1,591,367.00	2,168,633.00	42%
	1202-02	Fuel Allowance	1,500,000.00	367,335.00	1,132,665.00	24%
0	1203	Uniforms	40,000.00	20,954.00	19,046.00	52%
		Maintenance Expenditure	9,300,000.00	4,885,713.98	4,414,286.02	53%
0	1301	Vehicles	4,000,000.00	3,435,717.18	564,282.82	86%
0	1302	Plant, Machinery and Equipment	3,000,000.00	1,135,612.92	1,864,387.08	38%
0	1303	Buildings and Structures	1,000,000.00		1,000,000.00	0%
0	1304	Software	1,300,000.00	314,383.88	985,616.12	24%
					-	
		Contractual Services	51,000,000.00	36,482,515.62	14,517,484.38	72%
0	1401	Transport	600,000.00	450,000.00	150,000.00	75%
0	1402	Postal and Telecommunication	2,000,000.00	954,500.49	1,045,499.51	48%
0	1403	Electricity and Water	4,000,000.00	1,587,271.70	2,412,728.30	40%
0	1405	Cleaning & Janitorial Services	650,000.00	383,169.60	266,830.40	59%
0	1404	Rent and Local taxes	42,600,000.00	32,768,164.44	9,831,835.56	77%
0	1409-138	Machinery & Office Equipment Service Agreement	150,000.00	54,516.00	95,484.00	36%
	1409-139	Vehicle Insurance	800,000.00	236,028.89	563,971.11	30%
	1409-140	Miscellaneous Services Expenditure	200,000.00	48,864.50	151,135.50	24%
					-	
		Transfers	23,500,000.00	22,277,375.87	1,222,624.13	95%
0	1505	subscrip.& contribi. Fee	20,500,000.00	20,374,812.84	125,187.16	99%
	1506	prop.loan int. to pub ser	3,000,000.00	1,902,563.03	1,097,436.97	63%
		Other Recurrent Expenditure	100,000.00	-	100,000.00	0%
0	1701	Losses and Write Off	100,000.00	-	100,000.00	0%
		Recurrent Total	664,100,000.00	492,647,199.53	171,452,800.47	74%

Progress Report - 2025

Programme : 01 Operational Activities
Project : 19 National Productivity Secretariat

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		<u>Capital Expenditure</u>				
		Rehabilitation & Improvements of Capital Assets	2,500,000.00	-	2,500,000.00	0%
0	2002	Plant, Machinery & Equipment	1,000,000.00	-	1,000,000.00	0%
0	2003	Vehicles	1,500,000.00	-	1,500,000.00	0%
		Acquisition of Fixed Assets	1,000,000.00	114,217.60	885,782.40	11%
0	2102	Furniture & Office Equipment	500,000.00	114,217.60	385,782.40	23%
0	2103	Plant, Machinery & Equipment	500,000.00		500,000.00	0%
		Capacity Building	1,000,000.00	200,000.00	800,000.00	20%
	2401	Staff training	1,000,000.00	200,000.00	800,000.00	20%
		Improving productivity, Employment Growth and Economic Development in SL	33,000,000.00	11,411,608.37	21,588,391.63	35%
1	2509-093	National Productivity Awards	10,000,000.00	5,572,719.00	4,427,281.00	56%
	2509-094	Training programmes	20,000,000.00	5,080,994.37	14,919,005.63	25%
	2509-099	Others	3,000,000.00	757,895.00	2,242,105.00	25%
		Special Productivity Promotion Programme (APO)	45,500,000.00	22,308,598.50	23,191,401.50	49%
2	2509-013	Foreign Grants	42,900,000.00	21,888,635.94	21,011,364.06	51%
	2509-015	Reimbursable Foreign Grants	100,000.00	-	100,000.00	0%
	2509-017	Foreign Finance Associated costs	2,500,000.00	419,962.56	2,080,037.44	17%
		Capital Total	83,000,000.00	34,034,424.47	48,965,575.53	41%
		Full Total	747,100,000.00	526,681,624.00	220,418,376.00	70%

Progress Report - 2025

Programme : 01 Operational Activity
Project : 02 Administration & Establishment Services

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Personal Emoluments	204,200,000.00	149,018,717.01	55,181,282.99	73%
0	1001	Salaries and Wages	112,000,000.00	92,417,960.90	19,582,039.10	83%
0	1002	Overtime and Holiday Payments	7,400,000.00	5,881,015.00	1,518,985.00	79%
0	1003	Other Allowances	84,800,000.00	50,719,741.11	34,080,258.89	60%
		Travelling Expenses	6,500,000.00	4,147,808.44	2,352,191.56	64%
0	1101	Domestic	2,500,000.00	1,246,644.00	1,253,356.00	50%
0	1102	Foreign	4,000,000.00	2,901,164.44	1,098,835.56	73%
		Supplies	46,800,000.00	23,000,454.30	23,799,545.70	49%
0	1201	Stationary and Office Requisites	14,000,000.00	5,780,773.87	8,219,226.13	41%
0	1202-10	Fuel for Other purposes	1,000,000.00	143,249.00	856,751.00	14%
0	1202-02	Fuel Allowances	18,000,000.00	9,351,400.03	8,648,599.97	52%
0	1202-09	Fuel for Pool Vehicles	13,000,000.00	7,569,031.40	5,430,968.60	58%
0	1203	Uniforms	300,000.00	156,000.00	144,000.00	52%
0	1205	Other	500,000.00	-	500,000.00	0%
		Maintenance Expenditure	32,200,000.00	22,534,491.87	9,665,508.13	70%
0	1301	Vehicles	20,000,000.00	19,446,538.99	553,461.01	97%
0	1302	Plant, Machinery and Equipment	5,800,000.00	1,712,258.87	4,087,741.13	30%
0	1303	Buildings and Structures	5,400,000.00	901,292.00	4,498,708.00	17%
0	1304	Software Maintenance	1,000,000.00	474,402.01	525,597.99	47%
		Contractual Services	84,482,775.89	41,604,735.60	42,878,040.29	49%
0	1401	Transport	10,000,000.00	5,314,123.77	4,685,876.23	53%
0	1402	Postal and Telecommunication	7,500,000.00	4,299,321.49	3,200,678.51	57%
0	1403	Electricity and Water	21,500,000.00	12,682,799.83	8,817,200.17	59%
0	1404	Rent and Local Taxes	6,600,000.00	3,186,508.53	3,413,491.47	48%
0	1405	Cleaning and Janitorial Services	9,500,000.00	4,424,071.70	5,075,928.30	47%
0	1407	Security Services	8,000,000.00	3,067,210.00	4,932,790.00	38%
0	1408	Lease Rental for Vehicles Procured Under Operational Leasing	5,382,775.89	-	5,382,775.89	0%
0	1409-138	Machinery & Office Equipment Service Agreement	5,000,000.00	1,878,596.79	3,121,403.21	38%
	1409-139	Vehicle Insurance	5,500,000.00	2,810,885.66	2,689,114.34	51%
	1409-140	Miscellaneous Services Expenditure	5,500,000.00	3,941,217.83	1,558,782.17	72%
		Transfers	22,017,224.11	21,512,528.82	504,695.29	98%
0	1502	Retirements Benefits	200,000.00	61,111.80	138,888.20	31%
0	1505	Subscriptions and Contribution Fees	20,817,224.11	20,817,224.11	-	0%
0	1506	Property Loan Interest to public servant	1,000,000.00	634,192.91	365,807.09	63%
		Other Recurrent Expenditure	300,000.00	-	300,000.00	0%
0	1701	Losses and Write Off	-	-	-	0%
0	1703	Govt Language Policy	300,000.00	-	300,000.00	0%
		Recurrent Total	396,500,000.00	261,818,736.04	134,681,263.96	66%
		Capital Expenditure				
		Rehabilitation & Improvements of Capital Assets	44,800,000.00	11,206,747.38	33,593,252.62	0%
0	2001	Buildings and Structures	27,500,000.00	8,260,221.94	19,239,778.06	30%
0	2002	Plant, Machinery & Equipment	2,300,000.00	-	2,300,000.00	0%
0	2003	Vehicles	15,000,000.00	2,946,525.44	12,053,474.56	20%
		Acquisition of Fixed Assets	2,300,000.00	302,815.00	1,997,185.00	13%
0	2102	Furniture & Office Equipment	300,000.00	13,216.00	286,784.00	4%
0	2103	Plant, Machinery & Equipment	2,000,000.00	289,599.00	1,710,401.00	14%
		Capacity Building	2,000,000.00	350,404.25	1,649,595.75	18%
0	2401	Knowledge Enhancement & Inst.	2,000,000.00	350,404.25	1,649,595.75	18%
		Capital Total	49,100,000.00	11,859,966.63	37,240,033.37	24%
		Full Total	445,600,000.00	273,678,702.67	171,921,297.33	61%

Progress Report - 2025

Programme : 02 Development Activities
Project : 03 Industrial Development

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Personal Emoluments	368,500,000.00	300,409,539.46	68,090,460.54	82%
1	1001	Salaries and Wages	236,000,000.00	202,142,949.27	33,857,050.73	86%
1	1002	Overtime and Holiday Payments	2,500,000.00	804,062.68	1,695,937.32	32%
1	1003	Other Allowances	130,000,000.00	97,462,527.51	32,537,472.49	75%
		Travelling Expenses	4,800,000.00	3,534,837.80	1,265,162.20	74%
1	1101	Domestic	3,000,000.00	1,838,022.00	1,161,978.00	61%
1	1102	Foreign	1,800,000.00	1,696,815.80	103,184.20	94%
		Supplies	11,200,000.00	6,461,028.91	4,738,971.09	58%
1	1201	Stationary and Office Requisites	2,600,000.00	1,131,105.03	1,468,894.97	44%
1	1202-009	Fuel for Fuel Vehicles	4,000,000.00	2,698,941.08	1,301,058.92	67%
	1202-002	Fuel Allowances	4,500,000.00	2,578,982.80	1,921,017.20	57%
1	1203	Uniforms	100,000.00	52,000.00	48,000.00	52%
		Maintenance Expenditure	7,000,000.00	5,272,753.07	1,727,246.93	75%
1	1301	Vehicles	5,000,000.00	4,481,741.21	518,258.79	90%
1	1302	Plant, Machinery and Equipment	1,000,000.00	791,011.86	208,988.14	79%
1	1303	Buildings and Structures	1,000,000.00	-	1,000,000.00	0%
		Contractual Services	21,900,000.00	13,173,074.66	8,726,925.34	60%
1	1401	Transport	4,000,000.00	2,332,471.83	1,667,528.17	58%
1	1402	Postal and Telecommunication	3,000,000.00	1,320,064.66	1,679,935.34	44%
1	1403	Electricity and Water	1,000,000.00	316,437.52	683,562.48	32%
1	1404	Rent and Local Taxes	4,500,000.00	2,792,675.70	1,707,324.30	62%
1	1405	Cleaning & Janitorial Services	500,000.00	211,288.00	288,712.00	42%
1	1407	Security Services	5,000,000.00	3,643,820.00	1,356,180.00	73%
1	1409-138	Machinery & Office Equipment Service Agreement	1,000,000.00	268,563.87	731,436.13	27%
	1409-139	Vehicle Insurance	500,000.00	-	500,000.00	0%
	1409-140	Miscellaneous Services Expenditure	2,400,000.00	2,287,753.08	112,246.92	95%
		Transfers	1,800,000.00	1,033,511.91	766,488.09	57%
1	1502	Retirement Benefits	100,000.00	-	100,000.00	0%
1	1506	Property Loan interest to Public Servant	1,700,000.00	1,033,511.91	666,488.09	61%
		Recurrent Total	415,200,000.00	329,884,745.81	85,315,254.19	79%
		Capital Expenditure				
		Rehabilitation & Improvements of Capital Assets	2,000,000.00	220,950.00	1,779,050.00	0%
1	2001	Buildings and Structures	-	-	-	0%
1	2002	Plant, Machinery & Equipment	1,000,000.00	-	1,000,000.00	0%
1	2003	Vehicles	1,000,000.00	220,950.00	779,050.00	0%
		Acquisition of Fixed Assets	2,000,000.00	636,490.00	1,363,510.00	0%
1	2102	Furniture & Office Equipment	1,000,000.00	-	1,000,000.00	0%
1	2103	Plant, Machinery & Equipment	1,000,000.00	636,490.00	363,510.00	0%
		Capacity Building	500,000.00	92,000.00	408,000.00	18%
1	2401	Knowledge Enhancement & Inst.	500,000.00	92,000.00	408,000.00	18%
		Capital Total	4,500,000.00	949,440.00	3,550,560.00	21%
		Full Total	419,700,000.00	330,834,185.81	88,865,814.19	79%

Progress Report - 2025

Programme : 02 Development Activities
Project : 20 Small Enterprises Development Division

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Personal Emoluments	815,500,000.00	583,641,002.50	231,858,997.50	72%
0	1001	Salaries and Wages	448,000,000.00	387,107,216.69	60,892,783.31	86%
0	1002	Overtime and Holiday Payments	12,000,000.00	2,162,957.10	9,837,042.90	18%
0	1003	Other Allowances	355,500,000.00	194,370,828.71	161,129,171.29	55%
		Travelling Expenses	42,500,000.00	12,802,645.90	29,697,354.10	30%
0	1101	Domestic	40,000,000.00	12,372,806.65	27,627,193.35	31%
0	1102	Foreign	2,500,000.00	429,839.25	2,070,160.75	17%
		Supplies	20,100,000.00	4,392,000.12	15,707,999.88	22%
0	1201	Stationary and Office Requisites	9,000,000.00	2,157,229.88	6,842,770.12	24%
0	1202-09	Fuel for pool vehicles	600,000.00	320,988.50	279,011.50	53%
	1202-02	Fuel Allowance	5,400,000.00	1,572,634.34	3,827,365.66	29%
0	1203	Uniforms	100,000.00	88,000.00	12,000.00	88%
0	1205	Other	5,000,000.00	253,147.40	4,746,852.60	5%
		Maintenance Expenditure	20,100,000.00	8,702,854.77	11,397,145.23	43%
0	1301	Vehicles	10,000,000.00	5,053,258.78	4,946,741.22	51%
0	1302	Plant, Machinery and Equipment	3,100,000.00	1,667,530.51	1,432,469.49	54%
0	1303	Buildings and Structures	5,000,000.00	1,321,291.92	3,678,708.08	26%
0	1304	Software	2,000,000.00	660,773.56	1,339,226.44	33%
		Contractual Services	26,700,000.00	12,599,832.80	16,100,167.20	47%
0	1401	Transport	500,000.00	29,272.26	470,727.74	6%
0	1402	Postal and Telecommunication	10,000,000.00	6,049,219.89	3,950,780.11	60%
0	1403	Electricity and Water	8,500,000.00	4,073,179.12	4,426,820.88	48%
	1404	Rents and Local Taxes	300,000.00	9,896.04	290,103.96	3%
0	1405	Cleaning & Janitorial Services	2,000,000.00	554,213.88	1,445,786.12	28%
0	1407	Security Services	2,000,000.00	668,145.98	1,331,854.02	33%
0	1409-138	Machinery & Office Equipment Service Agreement	2,400,000.00	548,590.62	1,851,409.38	23%
	1409-139	Vehicle Insurance	1,000,000.00	299,363.83	700,636.17	30%
	1409-140	Miscellaneous Services Expenditure	2,000,000.00	367,951.18	1,632,048.82	18%
		Transfers	3,000,000.00	1,108,522.68	1,891,477.32	37%
0	1506	Property Loan Interest to Public Servants	3,000,000.00	1,108,522.68	1,891,477.32	37%
		Other Recurrent Expenditure	100,000.00	19,557.50	80,442.50	20%
0	1703	Implementation of Official Language Policy	100,000.00	19,557.50	80,442.50	20%
		Recurrent Total	928,000,000.00	623,266,416.27	306,733,583.73	67%
		Capital Expenditure				
		Rehabilitation & Improvements of Capital Assets	10,000,000.00	-	10,000,000.00	-
0	2001	Buildings and Structures	2,000,000.00	-	2,000,000.00	-
0	2002	Plant, Machinery & Equipment	5,000,000.00	-	5,000,000.00	-
0	2003	Vehicles	3,000,000.00	-	3,000,000.00	-
		Acquisition of Fixed Assets	56,000,000.00	16,606,268.60	38,393,731.40	30%
0	2102	Furniture & Office Equipment	5,000,000.00	-	5,000,000.00	-
0	2103	Plant, Machinery & Equipment	50,000,000.00	16,606,268.60	33,393,731.40	33%
	2106	Software Development	1,000,000.00	-	1,000,000.00	-
		Capacity Building	5,000,000.00	1,256,668.99	3,743,331.01	25%
	2401	Staff Training	5,000,000.00	1,256,668.99	3,743,331.01	25%
		Youth Empowerment Programme	150,000,000.00	47,284,220.11	102,715,779.89	32%
1	2202 (26)	Development Assistant (SME)	150,000,000.00	47,284,220.11	102,715,779.89	32%
		Capital Total	221,000,000.00	65,147,157.70	154,852,842.30	29%
		Full Total	1,149,000,000.00	688,413,573.97	461,586,426.03	60%

Progress Report - 2025

Programme : 02 Development Activities
Project : 04 Lending on SME's and Micro Credit

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Capital Expenditure	5,500,000,000.00	1,082,276,795.41	4,417,723,204.59	20%
16	2302	Environmentally Friendly Solutions Revolving Fund (GOSL/JBIC) on Lending	1,494,000,000.00	271,689,000.00	1,222,311,000.00	18%
16	2509	Environmentally Friendly Solutions Revolving Fund (GOSL/JBIC) other	6,000,000.00	2,980,053.00	3,019,947.00	50%
17	2302	Small & Micro Industries Leader & Enterprenure Promotion Project (GOSL/JBIC) on Lending	3,990,000,000.00	807,233,500.00	3,182,766,500.00	20%
17	2509	Small & Micro Industries Leader & Enterprenure Promotion Project (GOSL/JBIC) other	10,000,000.00	374,242.41	9,625,757.59	4%
		Total Expenditure	5,500,000,000.00	1,082,276,795.41	4,417,723,204.59	20%

Programme : 02 Development Activities
Project : 05 Public Institutions

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Recurrent	1,749,600,000.00	671,159,897.00	200,753,103.00	38%
2	1503	National Enterprises Development Authority - Personal Emoluments	25,000,000.00	19,450,000.00	5,550,000.00	78%
2	1509	National Enterprises Development Authority - Other Operational Expenditure	15,000,000.00	7,547,000.00	7,453,000.00	50%
4	1503	Industrial Development Board-Personal Emoluments	450,000,000.00	337,500,000.00	112,500,000.00	75%
4	1509	Industrial Development Board-Other Operational Expenditure	50,000,000.00	34,000,000.00	16,000,000.00	68%
9	1503	National Design Center - Personal Emoluments	66,000,000.00	55,172,000.00	10,828,000.00	84%
9	1509	National Design Center - Other Operational Expenditure	30,000,000.00	12,101,000.00	17,899,000.00	40%
10	1503	National Craft Council - Personal Emoluments	150,000,000.00	119,476,897.00	30,523,103.00	80%
10	1509	National Craft Council - Other Operational Expenditure	40,000,000.00	20,000,000.00	20,000,000.00	50%
18	1503	Jem & Jewellery Research Institute - Personal Emoluments	65,000,000.00	49,500,000.00	15,500,000.00	76%
18	1509	Jem & Jewellery Research Institute - Other Operational Expenditure	32,000,000.00	16,413,000.00	15,587,000.00	51%
19	1503	Industrial Technology Institute - Personal Emoluments	-	-	-	0%
20	1503	Sugar Cane Research Institute - Personal Emoluments	262,000,000.00	194,143,750.00	67,856,250.00	0%
20	1509	Sugar Cane Research Institute - Other Operational Expenditure	96,000,000.00	68,349,497.00	27,650,503.00	0%
22	1503	Sri Lanka Export Development Board - Personal Emoluments	268,600,000.00	185,004,000.00	83,596,000.00	0%
22	1509	Sri Lanka Export Development Board - Other Operational Expenditure	200,000,000.00	67,790,000.00	132,210,000.00	0%

Progress Report - 2025

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
		Capital Expenditure	981,000,000.00	214,895,000.00	766,105,000.00	22%
1	2201	Sri Lanka Textile & Apperel Institute	250,000,000.00	153,480,000.00	96,520,000.00	61%
2	2201	NEDA	50,000,000.00	34,215,000.00	15,785,000.00	68%
4	2201	IDB	200,000,000.00	-	200,000,000.00	0%
9	2201	National Design Centre	40,000,000.00	11,950,000.00	28,050,000.00	30%
10	2201	National Craft Council	50,000,000.00	12,000,000.00	38,000,000.00	24%
18	2201	Jem & Jewellery Research and Training Institute	25,000,000.00	3,250,000.00	21,750,000.00	13%
19	2201	Industrial Technology Institute	-	-	-	0%
20	2201	sugar Cane Research Institute	40,000,000.00	-	40,000,000.00	0%
21	2201	Kantale Sugar Company Ltd	26,000,000.00	12,045,697.35	13,954,302.65	46%
22	2201	Sri Lanka Export Development Board	300,000,000.00	118,602,000.00	181,398,000.00	40%
		Total Expenditure	2,730,600,000.00	886,054,897.00	966,858,103.00	32%

Programme : 02 Development Activities

Project : 03 Industrial Development

Sub proj	Object	Category / Object Title	Estimate Annual LKR	Expenditure Up to 30.09.2025 LKR	Balance LKR.	Expenditure %
2	2506	Industrial Estates Development Programme	2,000,000,000.00	263,864,263.14	1,736,135,736.86	13%
3	2202	Thrust Area Development Programme	100,000,000.00	6,979,586.84	93,020,413.16	7%
4	2509	Handloom & Textile Industry	20,000,000.00	4,238,294.45	15,761,705.55	21%
10	2506	Upgrading & Modernization of Main & Mini Industrial Estates	-	-	-	0%
19	2506	Establishment of Table salt plant 05 TPH- Manthai(Improvement in Elephantpass Saltern)	-	-	-	0%
40	2506	Create Dedicated Zone for Textile Manufacturing and Related Industries Eravur	-	-	-	0%
42	2509	Traditional and Rural Ind.Promotion	100,000,000.00	5,503,203.75	94,496,796.25	6%
43	2509	Modernizing Gems & Mineral Resources	-	-	-	0%
44	2509	Handloom Sector Dev - Other	-	-	-	0%
		Total Expenditure	2,220,000,000.00	280,585,348.18	1,939,414,651.82	13%

