FINAL BUDGET POSITION REPORT (ANNUAL REPORT) 2025

Ministry of Finance, Planning and Economic Development
Sri Lanka

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MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT
SRI LANKA

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LIST OF ACRONYMS

AAIB	Agriculture and Agrarian Insurance Board
AASL	Airport and Aviation Services (Sri Lanka) Limited
ACI	Airport Council International
ADB	Asian Development Bank
AIT	Advance Income Tax
APIT	Advance Personal Income Tax
ASPI	All Share Price Index
ASYCUDA	Automated System for Customs Data
ATPS	Alternate Tax Payment System
AWCMR	Average Weighted Call Money Rate
AWDR	Average Weighted Deposit Rate
AWLD	Average Weighted Lending Rate
AWPLR	Average Weighted Prime Lending Rate
BIA	Bandaranaike International Airport
BoC	Bank of Ceylon
BOI	Board of Investment
BOP	Balance of Payment
BP	British Pharmacopoeia
CAR	Capital Adequacy Ratio
CASA	Current and Saving Account Ratio
CBSL	Central Bank of Sri Lanka
CCFL	Colombo Commercial Fertilizer Company Limited
CCPI	Colombo Consumers' Price Index
CEB	Ceylon Electricity Board
CECB	Central Engineering Consultancy Bureau
CESS	Commodity Export Subsidy Scheme
CFC	Ceylon Fisheries Corporation
CFCL	Ceylon Fertilizer Company Limited
CFHC	Ceylon Fishing Harbours Corporation
CICT	Colombo International Container Terminals
CID	Customs Import Duty
CIT	Corporate Income Tax
CIABOC	Commission to Investigate Allegations of Bribery and Corruption
CKDU	Chronic Kidney Disease of Unknown
CMO	Commodity Market Outlook
COPA	Committee on Public Accounts
CPA	Child Protection Authority
CPC	Ceylon Petroleum Corporation
CPI	Consumer Price Index
CPL	Chilaw Plantations Limited
CRA	Colombo Rubber Auction

LIST OF ACRONYMS

CSE	Colombo Stock Exchange
CTA	Colombo Tea Auction
CUB	Committed Undisbursed Balance
DFCC	Development Finance Corporation of Ceylon
DLB	Development Lotteries Board
DRL	Debt Repayment Levy
DRP	Debt Relief Package
DTET	Department of Technical Education and Training
ECT	East Container Terminal
EDSL	Excise Department of Sri Lanka
EDR	Extended Disaster Relief
e-GP	electronic Government Procurement
EMDEs	Emerging Markets and Developing Economies
EMEs	Emerging Market Economies
EPF	Employees' Provident Fund
EPL	Elkaduwa Plantations Limited
ESC	Economic Service Charge
ETF	Employees, Trust Fund
ETFB	Employees Trust Fund Board
FCBUs	Foreign Currency Banking Units
FCTFF	Foreign Currency Term Financing Facility
FDI	Foreign Direct Investment
FGPCs	Farmer's Grain Preservation Centers
FOB	Free on Board
FPSF	Fuel Price Stability Fund
FSRU	Floating Storage Regasification Unit
FRS	Fiscal Risk Statement
FSS	Fiscal Strategy Statement
G to G	Government to Government
GDP	Gross Domestic Products
GIZ	German International Cooperation
GOR	Gross Official Reserves
GOSL	Government of Sri Lanka
GVA	Gross Value Added
GWh	Giga Watt hours
GWP	Gross Written Premium
HDFC	Housing Development Finance Corporation Bank
HDL	Hotel Developers Lanka Limited
ICT	Information and Communication Technology
ILO	International Labbour Organisation
IMF	International Monetary Fund

LIST OF ACRONYMS

IOM	International Organization for Migration
IPP	Independent Power Producer
IRCSL	Insurance Regulatory Commission of Sri Lanka
IRD	Inland Revenue Department
ISBs	International Sovereign Bonds
IT/BPO	Information Technology and Business Processing Outsourcing
ITMIS	Integrated Treasury Management Information System
ITN	Independent Television Network
JEDB	Janatha Estates Development Board
JICA	Japan International Corporation Agency
KGLL	Kahatagaha Graphite Lanka Limited
KOICA	Korean International Cooperation Agency
KPL	Kurunegala Plantations Limited
KTFL	Kalubiwitiyana Tea Factory Ltd
kWh	Kilo Watt hours
LBT	Loss Before Tax
LC	Letter of Credit
LCBs	Licensed Commercial Banks
LFPR	Labour Force Participation Rate
LIBOR	London Inter Bank Offered Rate
LMSL	Lanka Mineral Sands Limited
LNG	Liquefied Natural Gas
LSL	Lanka Sathosa Limited
M_{2b}	Board Money
MCU	Medium Corporate Unit
MEs	Micro Enterprises
MFA	Micro Finance Act, No.6 of 2016
MILCO	Milco (pvt) Ltd
MRPs	Maximum Retail Prices
MSC	Management Service Circular
MSD	Medical Supply Division
MSMEs	Micro, Small and Medium Enterprises
MTDS	Medium-Term Debt Management Strategy
MTFF	Medium-Term Fiscal Framework
NBT	Nation Building Tax
NCGI	National Credit Guarantee Institute
NCPI	National Consumer Price Index
NCRCS	New Comprehensive Rural Credit Scheme
NCRE	Non – Conventional Renewable Energy
NITF	National Insurance Trust Fund
NLB	National Lotteries Board

LIST OF ACRONYMS

NLDB	National Livestock Development Board
NPL	Non-Performing Loans
NRFC	Non-Resident Foreign Currency
NSB	National Savings Bank
NVQ_	National Vocational Qualifications
NWS&DB	National Water Supply and Drainage Board
OD	Overdrafts
OGA	Other Government Agencies
OPEC	Organization of Petroleum Export Countries
PAL	Ports and Airport Development Levy
PAYE	Pay – As – You – Earn
PB	Peoples Bank
PBT	Profit Before Tax
PDMA	Public Debt Management Act
PDMO	Public Debt Management Office
PDNA	Post-Disaster Needs Assessment
PFIs	Participatory Financial Institutions
PFM	Public Finance Management
PFMA	Public Finance Management Act
PIT	Personal Income Tax
PLC	Public Limited Company
PMB	Paddy Marketing Board
PMCUs	Primary Medical Care Units
PMU	Project Management Unit
PRC	Project Review Committee
PSB	Pradeshiya Sanwardana Bank
RAMIS	Revenue Administration Management Information System
RDB	Regional Development Bank
RFC	Resident Foreign Currency
RFI	Rapid Financing Instrument
RFP	Request for Proposals
RII Act	Regulation of Insurance Industry Act, No. 43 of 2000
ROA	Return on Assets
ROE	Return on Equity
RPCs	Regional Plantation Companies
RSS1	Rubber Smoked Sheet 1
S & P	Standard and Poor's
SEPI	Self-Employment Promotion Initiative
SAGT	South Asia Gateway Terminals
SCL	Special Commodity Levy
SD&CC	State Development and Construction Corporation

LIST OF ACRONYMS

SDA	Special Deposit Account
SDFR	Standing Deposit Facility Rate
SDR	Special Drawing Rights
SEC	Securities and Exchange Commission
SEC	State Engineering Corporation
SJGH	Sri Jayawardanapura General Hospital
SLA	Sri Lanka Airlines
SLADC	Sri Lanka Ayurvedic Drugs Corporation
SLC	Sri Lanka Customs
SLDBs	Sri Lanka Development Bonds
SLECIC	Sri Lanka Export Credit Insurance Corporation
SLFR	Standing Lending Facility Rate
SLHB	Sri Lanka Handicraft Board
SLIBTEC	Sri Lanka Biotechnology Institute
SLIC	Sri Lanka Insurance Corporation
SLPA	Sri Lanka Ports Authority
SLRC	Sri Lanka Rupavahini Corporation
SLREIT	Sri Lanka Real Estate Investment Trust
SLSPC	Sri Lanka State Plantations Corporation
SLTB	Sri Lanka Transport Board
SLTDA	Sri Lanka Tourism Development Authority
SMELoC	Small and Medium Enterprise Line of Credit
SMEs	Small and Medium Enterprises
SMIB	State Mortgage and Investment Bank
SOBs	State Owned Banks
SOBEs	State Owned Business Enterprises
SOEs	State Owned Enterprises
SPC	State Pharmaceutical Corporation
SPMC	State Pharmaceutical Manufacturing Corporation
SRCC & T	Strike, Riot, Civil Commotion and Terrorism Fund
SRR	Statutory Reserve Ratio
SSCL	Social Security Contribution Levy
STC	State Timber Corporation
TEU	Twenty-Foot Equivalent Units
TIN	Tax Identification Number
TL	Telecommunication Levy
SVAT	Simplified Value Added Tax
TVET	Technical and Vocational Education and Training
UK	United Kingdom
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development

LIST OF ACRONYMS

UNICEF	United Nations International Children's Emergency Fund
UNODC	United Nations Office on Drugs and Crime
UNIVOTEC	University of Vocational Technology
US	United States
USD	United States Dollar
USP	United States Pharmacopoeia
VAT	Value Added Tax
WB	World Bank
WEO	World Economic Outlook
WHO	World Health Organization
WHT	Withholding Tax
WTO	World Trade Organization
Y-O-Y	Year on Year

SRI LANKA AT A GLANCE 2023 – 2025

	2023	2024	2025 [a]
GDP			
GDP at Current Market Prices (Rs.Bn)	27,539	30,096	32,751
GDP at Current Market Prices (USD Bn)	84.1	99.6	108.8
Per Capita GDP at Current Market Prices (Rs.)	1,249,675	1,373,235	1,505,371
Per Capita GDP at Market Prices (USD)	3,818	4,546	5,003
GDP (Growth %)	-2.0	5.0	5.0
GNI (Growth %)	-2.5	5.4	5.7
Inflation – GDP Implicit Price Deflator (%) 2015=100	16.8	4.1	3.7
Inflation – CCPI (%), 2021=100 (Annual Average)	17.4	1.2	-0.5
Unemployment (%)	4.7	4.4	3.9
Labour Force Participation Rate (%)	48.6	47.4	49.4
STRUCTURE OF THE ECONOMY			
Share of GDP (%)			
Agriculture, Forestry and Fishing	8.0	8.4	8.4
Industries	25.7	25.5	25.4
Services	60.1	57.5	54.6
Taxes Less Subsidies	6.2	8.6	11.6
Sectoral Growth at Constant Price (%)			
Agriculture, Forestry and Fishing	0.1	0.6	1.4
Industries	-9.2	11.1	7.8
Services	0.5	2.4	3.3
EXTERNAL TRADE			
Exports (USD Mn)	11,911	12,772	13,581
Imports (USD Mn)	16,811	18,841	21,480
Trade Balance (USD Mn)	-4,900	-6,069	-7,899
Earning from Tourism (USD Mn)	2,068	3,169	3,219
Worker's Remittances (USD Mn)	5,970	6,575	8,076
Current Account Balance (USD Mn)	1,439	1,207	1,719
Overall Balance of Payment (USD Mn)	2,826	2,890	1,798
GOVERNMENT FINANCE			
Revenue (Rs.Bn)	3,049	4,031	5,449
Tax Revenue (Rs.Bn)	2,721	3,705	5,049
Non -Tax Revenue (Rs.Bn)	328	326	400
Revenue (USD Mn)	9,308	13,342	18,107
Tax Revenue (USD Mn)	8,306	12,262	16,778
Non Tax Revenue (USD Mn)	1,002	1,080	1,330
Total Expenditure and Net Lending (Rs.Bn)	5,357	6,131	6,230
Recurrent Expenditure (Rs.Bn)	4,700	5,340	5,232
Capital Expenditure and Net Lending (Rs.Bn)	657	791	998
Current Account Balance (Percent of GDP)	-6.0	-4.3	0.7
Primary Balance/(Percent of GDP)	0.6	2.2	5.4
Budget Deficit /(Percent of GDP)	-8.3	-6.8	-2.3
Total Expenditure and Net Lending (USD Mn)	16,354	20,293	20,703
Recurrent Expenditure (USD Mn)	14,349	17,675	17,386
Capital Expenditure and Net Lending (USD Mn)	2,006	2,617	3,316
Budget Deficit (USD Mn)	-6,968	-6,752	-2,475

	2023	2024	2025 [a]
TOTAL GOVERNMENT DEBT (Rs. Bn)	28,696	28,739	29,995
Total Government Debt (% of GDP)	104.2	95.5	91.6
Domestic (% of GDP)	61.9	60.8	57.0
Foreign (% of GDP)	42.3	34.7	34.6
Total Debt Service (Percent of GDP)	15.5	24.4*	n.a.
PROVINCIAL BUDGET			
Revenue (Rs.Bn)	85.7	84.7	n.a.
Tax Revenue (Rs.Bn)	71.2	73.3	n.a.
Expenditure (Rs.Bn)	453.9	515.9	n.a.
Central Government Transfers (Rs.Bn)	368.2	431.2	n.a.
MONETARY SECTOR DEVELOPMENTS			
Narrow Money (M_1) (Rs.Bn)	1,658	1,926	2,288
Broad Money(M_{2b}) (Rs.Bn)	13,189	14,322	15,975
Money Growth (M_{2b}) (%)	7.3	8.6	11.5
ACCESS TO BANKING & FINANCE			
Domestic Commercial Banks	13	13	13
Branches	2,889	2,895	2,890
Foreign Commercial Banks	11	11	11
Branches	45	41	41
Specialized Banks	6	6	6
Branches	705	706	711
ATMs			
Domestic Commercial Banks	6,395	6,741	6,870
Foreign Commercial Banks	44	40	38
Specialized Banks	503	504	504
Insurance Companies	28	29	29
Registered Finance Companies	33	32	32
Specialized Leasing Companies	1	1	1
Student Savings Units	3,882	3,971	4,331
Credit Cards Issued	199,124	278,154	362,114
Credit Cards in Use	1,987,857	1,990,271	2,165,600
EXCHANGE RATES			
Annual Average			
Rs/USD	327.53	302.12	300.95
Rs/SDR	436.88	401.07	406.55
NEER (2017=100) (24 – Currency Basket)	53.30	58.56	58.57
REER (2017=100) (24 – Currency Basket)	71.73	74.77	72.87
Year End			
Rs/USD	323.92	292.58	309.99
Rs/SDR	434.60	381.57	424.54

(a) Provisional
**The foreign debt service payment component is as per the Financial statement-2024*
n.a. – not available
NEER – Nominal Effective Exchange Rate
REER – Real Effective Exchange Rate

SRI LANKA AT A GLANCE 2023- 2024/2025

Custom Import Duty (CID)

	2023	2024	2025		As at 01.04.2026
	No: of HS Code				No: of HS Code
Free	3,724	3,724	3,725	Free	3,756
15%	526	526	526	10%	406
20%	2,643	2,643	2,660	15%	–
Specific	852	852	852	20%	2,195
Specific & Advelorum(Mixed)	412	412	413	30%	582
				Specific	875
				Specific & Advelorum (Mixed)	411
Total	**8,157**	**8,157**	**8,176**	**Total**	**8,225**

	2023	2024	2025 [a]
SOCIAL DEVELOPMENT			
Mid Year Growth of Population (%)	-0.6	-0.5	-0.7
Life Expectancy at Birth (2017)	75.5	75.5	75.5
Crude Birth Rate (per 1,000 persons)	11.2	10.1	9.9
Crude Death Rate (per 1,000 persons)	8.2	7.8	7.9
Literacy Rate – (%)[c]			
Average	93.2	93.3	n.a.
Male	94.0	94.0	n.a.
Female	92.6	92.6	n.a.
Computer Literacy Rate (%)	39.0	35.9	38.4[b]
Dependency Ratio (%)	49.4	49.5	49.8
MOTOR VEHICLE IMPORTS			
Motor Cars	917	1,234	90,365
Motor Cycles	5,388	21,899	229,326
Three-Wheelers	21	5	24,100
Tractors	2,713	4,766	8,559
Motor Vehicles for Transport of Goods	186	321	11,249
Passenger Van and Buses	452	52	2,765
Other	11	2	32,493
TOTAL VEHICLE STOCK			
Motor Cars	903,685	905,329	973,376
Three-Wheelers	1,184,416	1,184,510	1,201,842
Motor Cycles	4,856,979	4,922,268	5,177,085
Buses	113,953	114,099	116,195
Dual Purpose Vehicles	450,669	451,696	458,632
Motor Vehicles for Transport of Goods	367,271	368,237	371,535
Land Vehicles – Tractors	399,199	402,237	408,264
Land Vehicles – Tailors	82,525	84,412	87,464
Other	21,406	21,725	22,220

	2023	2024	2025 [a]
ACCESS TO BASIC INFRASTRUCTURE			
Access to Pipe-borne Water (% of Population)	61.6	63.1	62.3
Access to Safe Drinking Water (% of Population)	97.3	98.8	93.9
Telecommunications			
Fixed Access Services ('000)	2,308	3,436	2,627
Cellular Phones (No. of Subscribers)('000)	28,986	28,820	29,491
Internet and email Subscribers (Including mobile internet services) ('000)	22,864	23,149	23,855
Postal			
Public Post Offices	4,006	4,005	3,933
Private Post Offices	139	132	132
Roads			
National Road Length (Km)	12,567	12,575	12,575
National Road Density (Km^2)	0.19	0.19	0.19
Ports			
Vessels Arrived	4,809	4,564	5,115
Total Container Traffic ('000 TEUs)	6,950	7,792	8,301
Total Cargo Handled ('000 MT)[d]	103,794	120,237	126,353
Transshipment Containers Handling ('000 TEUs)	5,960	6,623	6,972
Production of Agriculture Sector			
Tea (Mn Kg)	256	263	264
Rubber (Mn Kg)	64	69	66
Coconut (Mn Nuts)	3,169	2,792	3,042
Paddy ('000 MT)	4,513	4,698	5,054
Fresh Milk (Mn Ltr.)	504	522	524
Fish ('000 MT)	407	411	364

(b) During first 06 months

(c) Based on Quarterly Labour Force Survey, DCS

(d) Excluding KKS, Myliddy, Point of Pedro and Karraynagar Ports.

SRI LANKA AT A GLANCE 2023 – 2025

	2023	2024	2025 [a]
ACCESS TO BASIC NEEDS			
HEALTH			
Public Hospitals	649	688	628
Primary Medical Care Units	543	550	580
Beds**	90,392	91,159	89,141
PROFESSIONALS			
Doctors**	23,999	24,058	26,520
Nurses**	53,283	49,665	45,459
Attendants	7,819	7,404	6,758
Midwives	6,737	8,525	8,566
EDUCATION			
Government			
Schools	10,096	10,076	10,047
Students ('000)	3,883	3,816	3,748
Teachers	237,787	238,506	242,309
Private			
Schools	95	95	95
Students ('000)	138	138	138
Teachers	8,170	8,780	8,760
Pirivenas			
Schools	822	822	822
Students ('000)	69	70	67
Teachers	7,118	7,289	7,331
WOMEN PARTICIPATION[g]			
Women Population ('000) [e] [f]	11,367	11,305	n.a.
Employed Women ('000)	2,702	2,591	n.a.
Women Participation in the Labour Force (%)	31 .3	29.8	32.5
Unemployed Women (%)	7.0	7.1	6.1
CAPITAL MARKET			
Market Capitalization (Rs.Bn)	4,249	5,696	8,069
Average Daily Turnover (Rs.Mn)	1,697	2,240	5,179
All Share Price Index (ASPI) 1985=100	10,654	15,945	22,624
S&P SL 20 Index (2004 =1,000)	3,068	4,862	6,157

	2023	2024	2025 [a]
PRINT MEDIA			
Newspapers (No.)	**147**	**150**	**153**
Sinhala	77	84	84
Tamil	29	28	28
English	36	35	39
Bilingual/Tringual	5	3	2
ELECTRONIC MEDIA			
Television Services	**24**	**23**	**25**
Government	**5**	**5**	**5**
Sinhala	2	2	2
Tamil	2	2	2
Bilingual	1	1	1
Private	**19**	**19**	**20**
Sinhala	12	12	13
Tamil	4	3	4
English	2	2	2
Bilingual	1	1	1
Radio Services	**51**	**51**	**51**
Government	**15**	**15**	**15**
Sinhala	9	9	9
Tamil	5	5	5
English	1	1	1
Private	**36**	**36**	**36**
Sinhala	20	20	20
Tamil	7	7	7
English	9	9	9
INSTALLED CAPACITY (MW)			
Total	**4,381**	**4,648**	**4,768**
Public Sector	3,218	3,338	3,261
Hydro Power	1,413	1,533	1,530
Thermal Power	1,701	1,701	1,627
Fuel	801	801	727
Coal	900	900	900
Other	104	104	104
Private Sector	1,163	1,310	1,508
Hydro Power	419	432	437
Thermal Power – Fuel	387	482	582
Other	357	396	488
POVERTY			
Poverty Head Count Index	14.3[g]	14.3[g]	14.3[g]
Poverty Gap Index (%)	0.6[g]	0.6[g]	0.6[g]
Gini Coefficient of Per Capita Expenditure	0.39[g]	0.39[g]	0.39[g]
Average Daily kilo Calorie Intake	2,120[g]	2,120[g]	2,120[g]

** *Government*

(e) Women Population estimates were calculated based on final results of the Census of Population and Housing 2012

(f) 15 years and over population

(g) Based on Household Income and Expenditure Survey (2019), DCS

SRI LANKA AT A GLANCE 2023 – 2025

Government Tax Rate (%)

2022		2023–2025			w.e.f 01.04.2025
Personal Income Tax Relief	Rs.3,000,000	Personal Income Tax Relief	Rs.1,200,000	Personal Income Tax Relief	Rs. 1,800,000
Taxable income	**Rate(%)**	**Taxable income**	**Rate (%)**	**Taxable income**	**Rate (%)**
Next Rs. 3,000,000	6	First Rs. 500,000	6	Rs.1.8 Mn. – Rs. 2.8 Mn.	6
Next Rs. 3,000,000	12	Next Rs. 500,000	12	Rs.2.8 Mn. – Rs. 3.3 Mn.	18
Balance	18	Next Rs. 500,000	18	Rs.3.3 Mn. – Rs. 3.8 Mn.	24
		Next Rs. 500,000	24	Rs.3.8 Mn. – Rs. 4.3 Mn.	30
		Next Rs. 500,000	30	Over Rs. 4.3 Mn.	36
		Balance	36		

	As at end		
	2023	2024	2025
Corporate Tax (%)			
Standard Rate	30	30	30
Agro – Farming	30	30	30
IT and Enabled Services	30	30	30
Manufacturing	30	30	30
Export of Goods	30	30	30
Export of Services	Exempt	Exempt	15
Betting and Gaming Liquor & Tobacco	40	40	45
Value Added Tax (VAT) (%)			
Standard Rate	15	18	18
Exports	0	0	0
SSCL (%)	2.5	2.5	2.5
PAL (%)[h]	10	10	10
Telecommunications Levy (% (other than Internet)	15	15	15
Share Transaction Levy (%)	0.3	0.3	0.3
CUSTOMS DUTY (%)			
Inputs / Raw Material	0	0	0
Intermediate Goods	15	15	15
Finished and Luxury Goods	20	20	20

	As at end		
	2023	2024	2025
Excise Duty			
Cigarettes (Rs. Per 1,000 sticks)			
Length below 60 mm	13,360	18,270	19,350
Length 60–67 mm	34,620	47,360	50,150
Length 67–72 mm	49,320	67,470	71,450
Length 72–84 mm	49,320	76,490	81,000
Length Exceeding 84 mm	62,160	85,030	90,050
Liquor Duty Structure (Rs. Per absolute Liter)			
Coconut Processed/Molasses Arrack	5,350	7,320	7,752
Country Made Foreign Liquor	5,350	7,525	7,969
Malt Liquor (Beer) above 5% in Strength	4,150	5,680	6,015
Malt Liquor (Beer) less than 5% in Strength	3,960	5,415	5,735
Liquor made from any cereal other than toddy	3,960	5,415	5,735
Imported Malt Liquor	135	135	135
Imported Wine	230	230	230

SOCIAL & ECONOMIC DEVELOPMENT BY INTERNATIONAL RANKING (2025)[a]

Index Name	No of Countries	Sri Lanka	India	Bangladesh	Bhutan	Maldives	Nepal	Pakistan
Prosperity Index (2023)	167	91	103	124	N/A	N/A	110	136
Human Development Index (2023)	193	78	134	129	125	87	146	164
Global Hunger Index	136	61	102	85	N/A	N/A	72	106
Global Innovation Index	139	93	38	106	N/A	N/A	107	99
Corruption Perception Index	182	107	91	150	18	91	109	136
Doing Business Index(2020)	190	99	63	168	89	147	94	108
World Happiness Index	147	134	116	127	N/A	N/A	99	104
Economic Freedom Index	184	144	132	120	105	158	129	152

w.e.f. = with effect from

(h) concessionary rates at 2.5%, 5% and 7.5%

PART I

Macro-Fiscal Perspectives

01

Fiscal Policy, Strategy and Challenges

1.1 Overview

Sri Lanka demonstrated resilience in responding to the internal and external shocks arising from Cyclone Ditwah and the Middle East conflict. The conflict poses macroeconomic and fiscal risks, most immediately through the sharp depreciation of exchange rate, underscoring the need for continuous structural reforms over the medium term to long term. The fuel prices were the first to be affected, with knock-on risks to other macroeconomic variables, particularly tourist arrivals. To address the urgent needs of the people, the Government introduced a multifaceted relief programme in April 2026 to cushion the cost of living for households and vulnerable groups, while providing relief to the Ceylon Petroleum Corporation (CPC) and other fuel suppliers to maintain retail prices below the cost-reflective levels, and the National System Operator (NSO) for the provision of an electricity subsidy for consumers.

The relief programme included:

- A fuel subsidy of Rs. 15 billion provided to the CPC corresponding to quantities of 92 Octane Petrol and Lanka Auto Diesel sold during April 2026;
- An electricity subsidy of Rs. 15 billion to the NSO for consumers with monthly consumption below 180 units, as well as hotels, industries and businesses in the relevant consumer categories;
- An enhanced fertilizer subsidy for the Yala season, increasing the allowance per hectare for paddy farmers from Rs. 25,000 to Rs. 30,000 and for field crop cultivators from Rs. 15,000 to Rs. 18,000, up to a maximum of two hectares per farmer per season;
- Targeted cash transfers to Aswesuma beneficiaries, raising the Rs. 17,500 payments to Rs. 25,000 and the Rs. 10,000 payments to Rs. 15,000; and
- Relief measures to support the fisheries sector.

The ongoing Middle East conflict and the effective closure of Strait of Hormuz pose risks to Sri Lanka's economic stabilisation across several channels and at varying magnitudes. The trade deficit is expected to widen, given Sri Lanka's position as a net importer of oil, which accounts for approximately 25 percent of the total import bill. Remittance inflows face downside risk, as the Middle East accounts for approximately 50 percent of total remittances, notwithstanding the surge in remittances during the first four months of 2026. Tourist arrivals declined by 2.3 percent to 876,277 persons in the first four months of 2026, compared to 896,884 persons in the same period of 2025, with earnings falling by 19.4 percent to USD 1,111.0 million. Pressure on the exchange rate has added to the import burden, while headline inflation rose to 5.5 percent in May 2026 from 1.6 percent in February 2026. Gross official reserves of USD 6.8 billion as at end April 2026 provide a near-term buffer to manage these pressures. However, a prolonged conflict carries significant ramifications for macroeconomic stabilization and the protection of vulnerable segments of society.

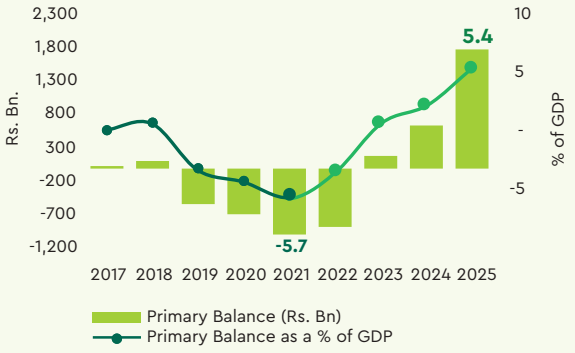
The Government is pursuing a forward-looking reform agenda to sustain the growth momentum, encompassing public financial management (PFM) reforms, energy sector reforms, strengthening social protection through the targeted Aswesuma programme, digitalization initiatives, export sector diversification, and improvements to the investment climate. The Middle East conflict has, however, introduced headwinds to the agenda, as reflected in key economic indicators.

2025 marked a significant milestone in Sri Lanka's post-crisis economic trajectory. The gains achieved through successive years of difficult but necessary reforms were reflected in broad-based economic expansion, strengthened fiscal balances, and improved external resilience. Sri Lanka entered 2025 with a renewed policy direction, underpinned by a clear mandate, an unwavering commitment to structural reform, and a firm resolve to sustain macroeconomic stabilisation in the long-term interests of the country.

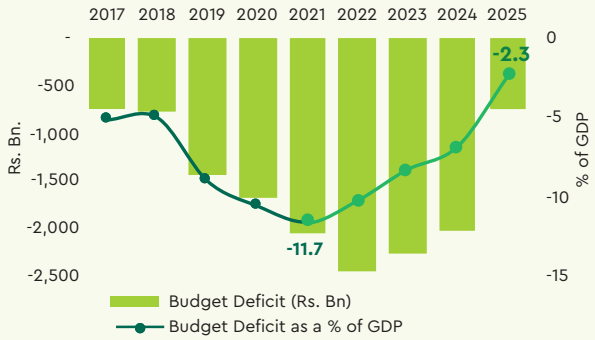
Box 1.1 | Bearing Fruit of Structural Reforms

Revenue-based Fiscal Consolidation

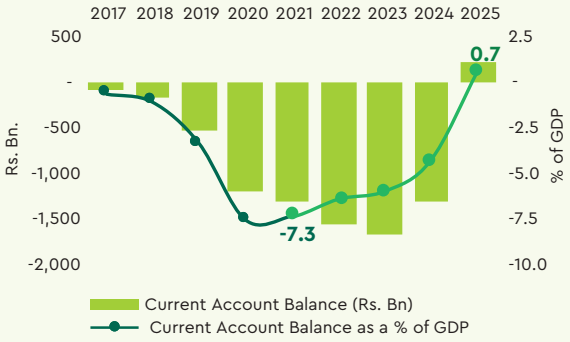
Primary Balance



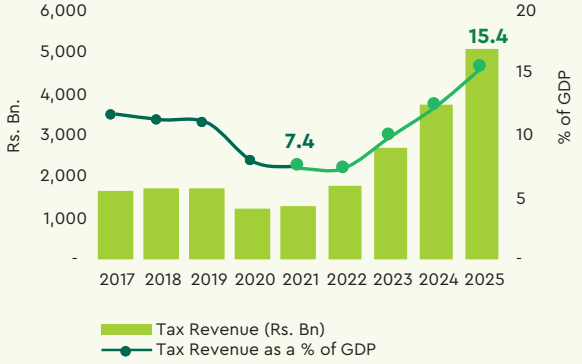
Budget Deficit



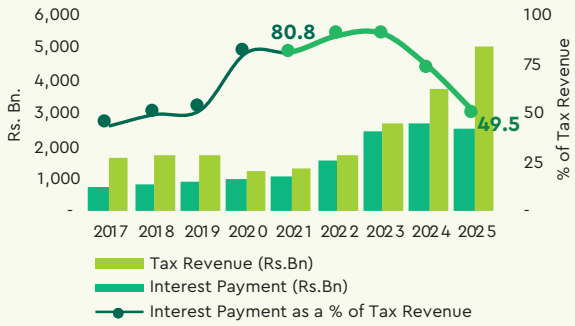
Current Account Balance



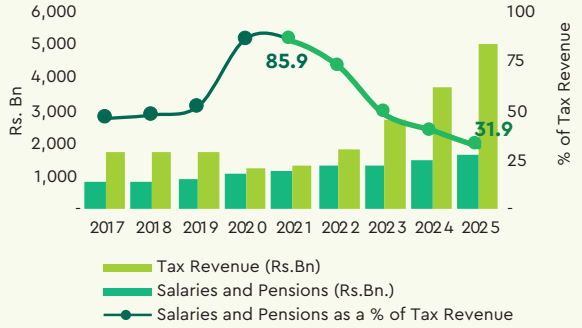
Tax Revenue



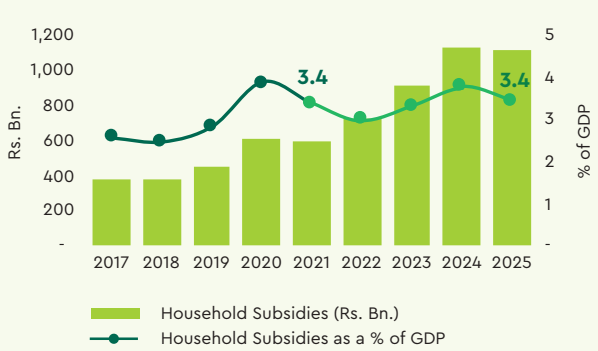
Interest Payment / Tax Revenue



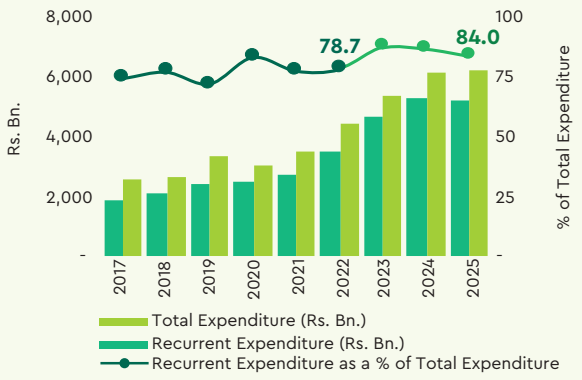
Salaries & Pensions / Tax Revenue



Household Subsidies / GDP



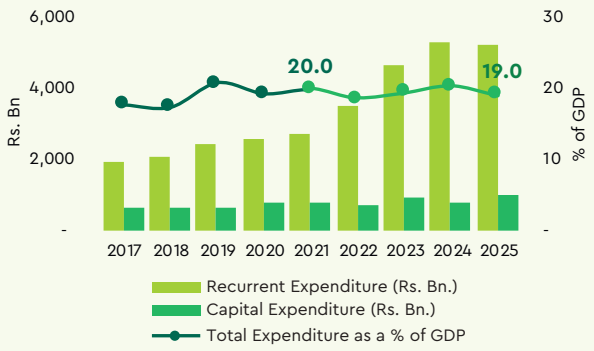
Recurrent Expenditure / Total Expenditure



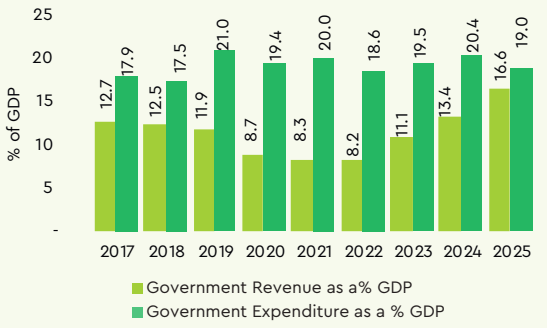
Box 1.1 | Bearing Fruit of Structural Reforms Contd...

Revenue-based Fiscal Consolidation Contd...

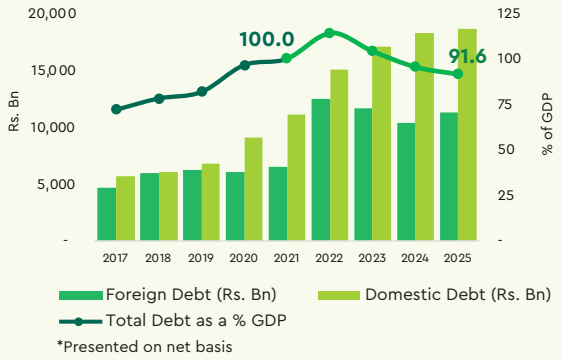
Capital & Recurrent Expenditure



Government Revenue & Expenditure (% of GDP)

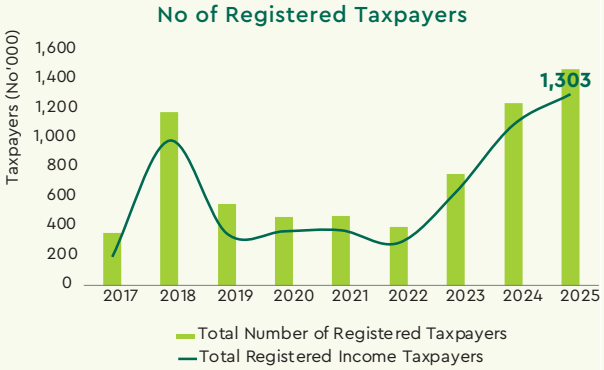


Central Government Debt*

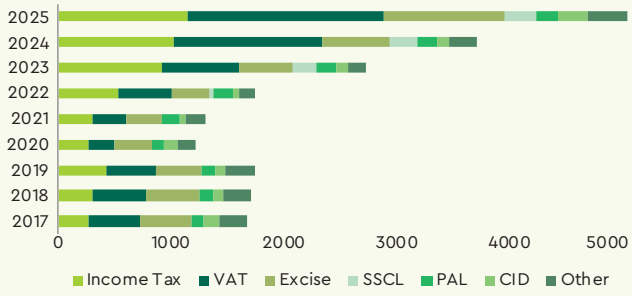


*Presented on net basis

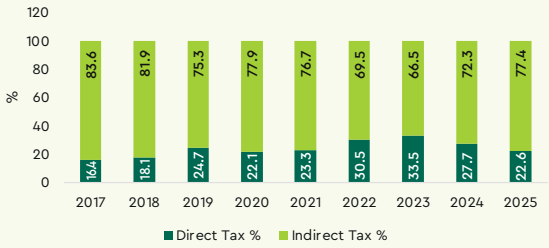
No of Registered Taxpayers



Tax Revenue by Instrument (Rs. Bn)

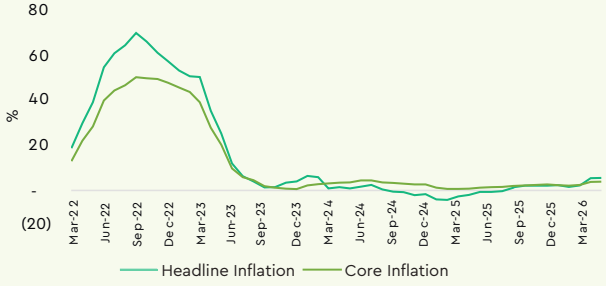


Direct vs Indirect Tax Composition (% of Total Tax)



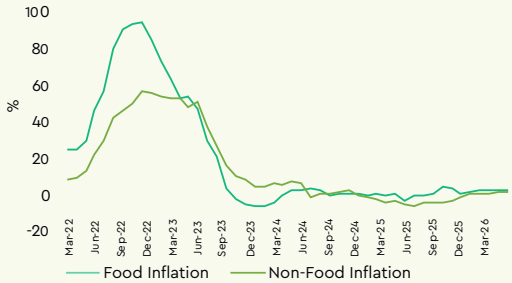
Restoring Monetary & Financial Stability

Headline Inflation & Core Inflation (CCPI %)



Note: March 2022 - January 2023 based on CCPI (2013=100), from February 2023 based on CCPI (2021=100)

Food Inflation & Non Food Inflation (CCPI %)

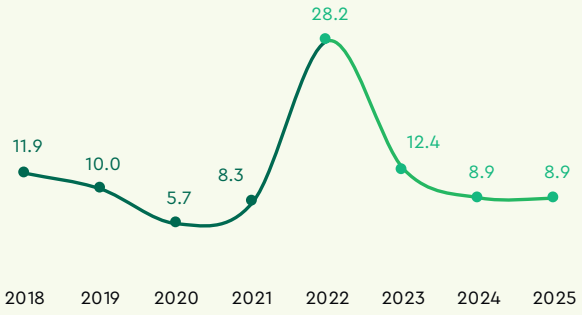


Note: March 2022 - January 2023 based on CCPI (2013=100), from February 2023 based on CCPI (2021=100)

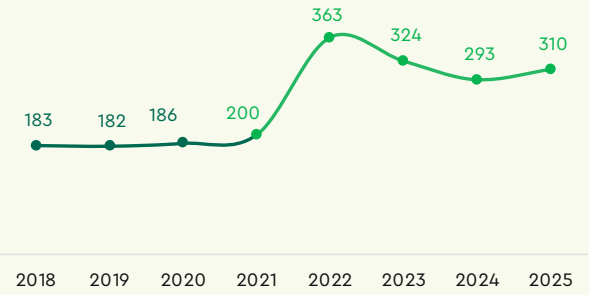
Box 1.1 | Bearing Fruit of Structural Reforms Contd...

Restoring Monetary & Financial Stability contd...

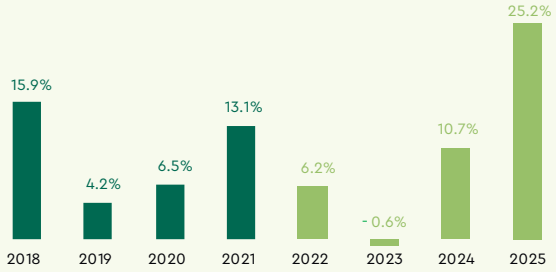
Interest Rate (AWPR, %)



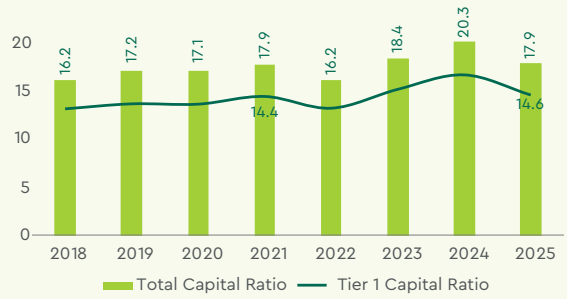
Exchange Rate (end year, Rs./USD)



Private Sector Credit Growth (%)

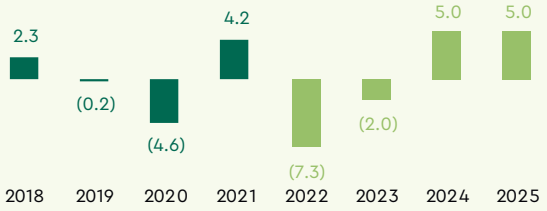


Capital Adequacy (%)

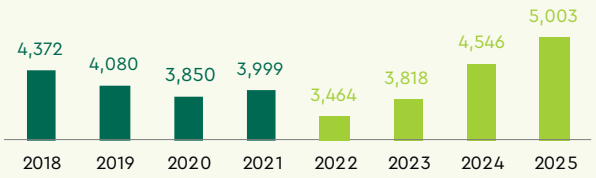


Rebounding Economic Activities

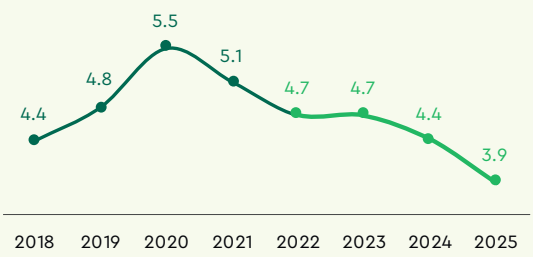
Real GDP Growth (%)



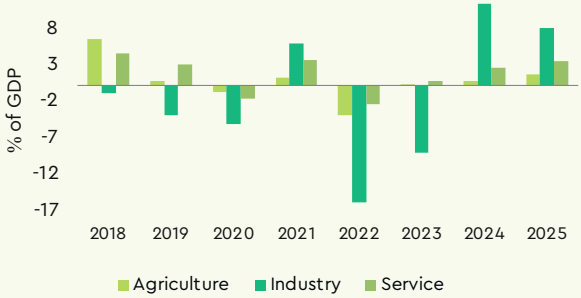
Per Capita GDP at Current Market Prices (USD)



Unemployment Rate (%)



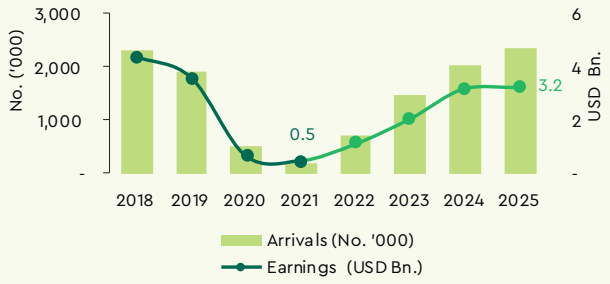
Sectoral GDP Growth (%)



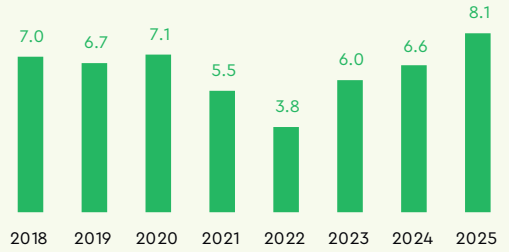
Box 1.1 | Bearing Fruit of Structural Reforms Contd...

Strengthening External Position

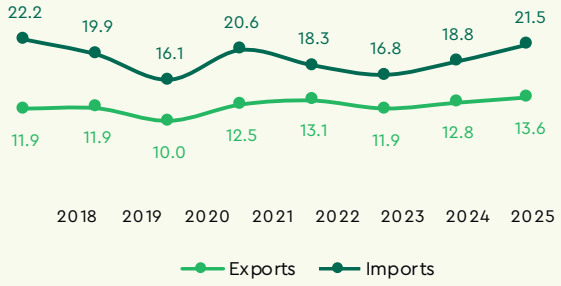
Tourist Arrivals and Earnings



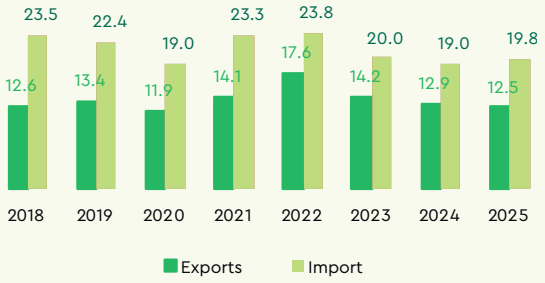
Workers' Remittances (USD Bn)



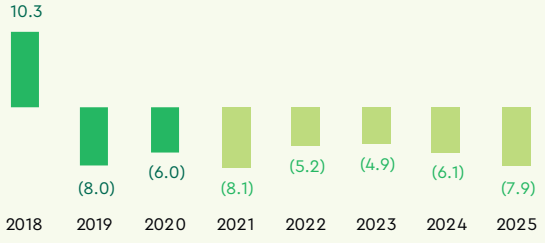
Imports and Exports (USD Bn)



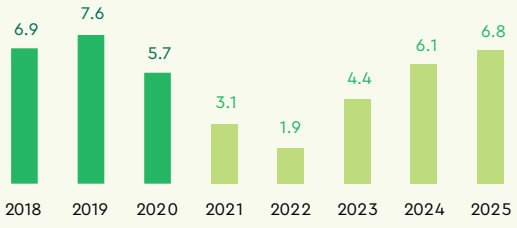
Imports and Exports (% of GDP)



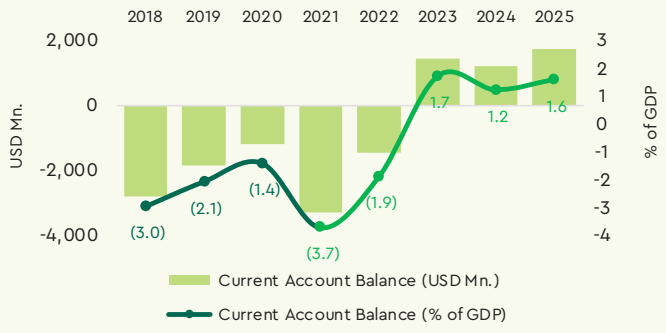
Trade balance (USD Bn)



Gross Official Reserves (USD Bn)



Current Account Balance



The Government's engagement with the IMF commenced, following the approval of approximately USD 3 billion under the Extended Fund Facility (EFF), on March 20, 2023 for a 48-month arrangement with comprehensive reform package addressing deep-rooted challenges across fiscal, monetary, governance, and institutional areas. The technical assistance provided under the EFF has played a pivotal role in formulating and implementing a comprehensive reform programme to address the severe economic challenges, including those arising from Cyclone Ditwah and the Middle East conflict. To support efforts to address urgent balance-of-payments and fiscal pressures stemming from Cyclone Ditwah, the IMF Executive Board approved a disbursement of SDR 150.5 million (approximately USD 206 million) under the Rapid Financing Instrument (RFI).

Performance under the IMF-EFF programme in 2025 remained strong, and all quantitative performance criteria and indicative targets met at end-2025, except for the new external arrears arising from a cybercrime event. Most structural benchmarks due by end-December 2025 were either met or implemented with delay. All indicative targets for end-March 2026 were successfully achieved. Reflecting this notable performance, the IMF Executive Board completed the combined Fifth and Sixth Reviews under the EFF arrangement on May 27, 2026 providing the country with immediate access to SDR 508 million (approximately USD 695 million) to support economic policies and reforms. These constitute the sixth and seventh tranches received by Sri Lanka under the IMF-EFF programme, bringing total IMF financial support disbursed to date to SDR 1.778 billion (approximately USD 2.4 billion).

Box 1.2 I Reform, Recovery and Resilience: Sri Lanka's Progress Under the IMF Extended Fund Facility

Sri Lanka introduced a series of structural reforms through a four-year Extended Fund Facility arrangement with the International Monetary Fund (IMF-EFF), entered into in March 2023.

Three years into the programme, it has delivered substantial gains, moving the country from crisis to recovery and now towards stabilisation. However, the economy continues to face both external and domestic shocks that test its resilience. In November 2025, Cyclone Ditwah struck just as recovery momentum was building, inflicting severe humanitarian and economic damage. Subsequently, in late February 2026, the Middle East conflict triggered a renewed surge in global energy prices, adding fresh external pressures on an economy still in recovery. Sri Lanka's ability to navigate these sequential and compounding shocks—without abandoning fiscal discipline or reversing core reforms—reflects the institutional resilience that sustained reform had begun to create.

From Crisis to Recovery to Stabilization: Gains in 2025

By end-2025, Sri Lanka had achieved substantial and broad-based macroeconomic gains, driven by reforms implemented under the IMF-EFF programme.

All end-December 2025 Quantitative Performance Criteria (QPCs) and Indicative Targets (ITs) were met, with revenue and primary balance targets significantly exceeded. The central government primary balance (floor) target of Rs. 730 billion was surpassed, recording an over performance surplus of Rs. 1,756 billion. Central government tax revenue surpassed the QPC target of Rs. 4,350 billion by 16.1 percent, reaching Rs. 5,049 billion.

Box 1.2 I Reform, Recovery and Resilience: Sri Lanka's Progress Under the IMF Extended Fund Facility contd..

Structural reforms advanced across multiple fronts during 2025:

- The Fiscal Strategy Statement and Fiscal Risk Statement were published in June 2025 under the Public Financial Management Act, No. 44 of 2024 (PFMA).
- The Integrated Treasury Management Information System (ITMIS) was fully rolled out across all spending heads, strengthening expenditure commitment controls.
- The Medium-Term Debt Management Strategy 2025–2029 was published by the newly operationalized Public Debt Management Office, enhancing transparency in government borrowing.
- The Simplified Value Added Tax (SVAT) system was repealed with effect from October 1, 2025, and replaced with a risk-based refund scheme.
- Cost-recovery pricing for fuel was maintained throughout 2025 under the formula-based adjustment framework, while electricity tariffs were restored to cost-recovery levels in June 2025 through a 15 percent average tariff increase.
- The Companies Act was amended in August 2025 to introduce beneficial ownership requirements in line with Financial Action Task Force (FATF) standards, and the Beneficial Ownership Registry was operationalized.
- Amendments to the Strategic Development Projects Act and Port City Act introduced transparent, rules-based eligibility criteria for tax incentives.
- The Aswesuma social protection programme was expanded in 2025, with social spending targets met for the first time in the programme's history.

Cyclone Ditwah: Crisis Response and the Rapid Financing Instrument

On November 28, 2025, Cyclone Ditwah struck Sri Lanka, causing over 800 fatalities, affecting approximately 2 million people, and displacing more than 100,000 persons while disrupting the infrastructure, agricultural lands, and irrigation systems. In response, emergency relief measures were financed through expenditure reprioritization within the existing budget, rather than through monetary expansion or unplanned borrowing. The PFMA played a critical role: by invoking the escape clause under Section 16, the Government has accommodated additional relief and reconstruction expenditure through a transparent, rules-based mechanism. A supplementary budget was approved by Parliament, accompanied by a commitment to publish a fiscal recovery plan outlining the path back to the programme's established fiscal targets.

The Fifth Review under the IMF-EFF was nearing completion when the cyclone struck; a Staff-Level Agreement had been reached on October 9, 2025. Given the scale of the disaster and the time needed to assess its economic impact, comprehensively, Sri Lanka requested emergency financing under the Rapid Financing Instrument (RFI). On December 19, 2025, the IMF Executive Board approved SDR 150.5 million (approximately USD 206 million). The RFI served as a complementary emergency instrument, not a replacement for the IMF-EFF.

Combined Fifth and Sixth Review: Maintaining Momentum into 2026

On May 27, 2026, the IMF Executive Board approved the combined Fifth and Sixth Review under the EFF, authorizing SDR 508 million (approximately USD 695 million) in disbursements, representing the sixth and seventh tranches under the programme.

Box 1.2 I Reform, Recovery and Resilience: Sri Lanka's Progress Under the IMF Extended Fund Facility contd..

Key elements of the programme framework for 2026 include:

- **Temporary fiscal accommodation:** Fiscal policy was eased in 2026 to accommodate post-cyclone reconstruction permitting primary expenditure to exceed the 13 percent of GDP ceiling. The Government is committed to returning to the primary expenditure ceiling from 2027 onwards, with a fiscal recovery plan to be published outlining the path of adjustment.
- **Energy sector response:** Escalating geopolitical tensions in the Middle East in early 2026 drove a sharp rise in global energy prices. Fuel prices were adjusted twice in March 2026 to partially pass through higher import costs. In response, a targeted and time-bound package of fuel, electricity, and fertilizer subsidies was introduced, with a combined cap of Rs. 100 billion. Separately, the Ceylon Electricity Board was formally unbundled in March 2026, following Electricity Act amendments adopted in 2025— a landmark structural reform aimed at improving operational efficiency and transparency in the electricity sector.
- **Structural reform continuity:** Most structural benchmarks due by end-June 2026 are on track. Key reform priorities for the remainder of 2026 include the adoption of PFMA implementing regulations; the development of a Medium-Term Revenue Strategy (MTRS) informed by planned tax diagnostic assessments; the approval by Cabinet of a property taxation design and implementation plan; and the finalisation of the debt restructuring process by mid-2026.

Disbursements Under the IMF Extended Fund Facility (EFF)					
Tranche	**Review / Stage**	**Board Approval**	**Disbursement Date**	**SDR (Mn)**	**USD (Mn) approx.**
1st Tranche	Original EFF	Mar 20, 2023	Mar 22, 2023	254	333
2nd Tranche	1st Review	Dec 12, 2023	Dec 14, 2023	254	337
3rd Tranche	2nd Review	Jun 12, 2024	Jun 14, 2024	254	336
4th Tranche	3rd Review	Feb 28, 2025	Mar 4, 2025	254	334
5th Tranche	4th Review	Jul 1, 2025	Jul 3, 2025	254	350
6th & 7th Tranches	5th & 6th Review	May 27, 2026	May 29, 2026	508	695
Total Disbursed				**1,778**	**2,435**

Pending Tranche	**Review/Stage**	**SDR (Mn)**	**Expected Year**
8th Tranche	7th Review	254	2026
9th Tranche	8th Review	254	2027
Grand Total of EFF		**2,286**	

Emergency Financing Under the Rapid Financing Instrument (RFI)					
Instrument	**Reason**	**Board Approval**	**Disbursement Date**	**SDR (Mn)**	**USD (Mn) approx.**
RFI	Emergency: Cyclone Ditwah	Dec 19, 2025	Dec 23 & 26, 2025	150.5	206

Box 1.2 I Reform, Recovery and Resilience: Sri Lanka's Progress Under the IMF Extended Fund Facility contd..

The Broader Lesson: Reforms Build Resilience and Lay the Foundation for Sustained Growth

The year 2025 illustrates that the value of Sri Lanka's reform programme lies not only in the macroeconomic indicators it improved, but in the institutional resilience it built—the capacity to absorb severe shocks without abandoning fiscal discipline or reversing core reforms. Fiscal consolidation created emergency response capacity. Stronger reserve buffers enhanced external resilience. Debt restructuring reduced near-term financing pressures. Governance reforms strengthened policy credibility. The PFM framework ensured that even extraordinary emergency spending was managed with transparency and accountability.

Significant challenges remain. Public debt, while declining, remains elevated and will require sustained primary surpluses over the medium term. Global trade policy uncertainty and the Middle East conflict continue to pose risks to energy costs, trade flows, foreign inflows and external financing conditions. Climate-related vulnerabilities remain a major concern, as Cyclone Ditwah starkly demonstrated. As the IMF-EFF programme moves towards its conclusion in 2027, sustaining reform momentum beyond the programme— through domestic ownership of reforms, institutional discipline, and a continued commitment to fiscal sustainability—will be crucial for durable economic stability and long-term sustainability.

Series of much-needed structural reforms implemented by the Government are bearing fruit. Real GDP expanded by 5.0 percent for the second consecutive year in 2025. The current account of the balance-of-payments recorded a surplus for the third consecutive year, reflecting a structural improvement in Sri Lanka's external position relative to decades of persistent current account deficits. Headline inflation, which had transitioned into negative territory in late 2024 primarily due to reductions in energy prices, returned gradually to a low and stable positive level during 2025, consistent with the price stability objectives of the Central Bank of Sri Lanka.

These outcomes collectively reflect the combined impact of sustained policy reforms, strengthened institutional frameworks, and improved macroeconomic management, marking a decisive step forward in Sri Lanka's transition from crisis toward a more resilient and sustainable growth path.

Economic growth in 2025 was broad-based, with all three major sectors of the economy recording positive performance, reflecting a strengthening of underlying economic fundamentals, while per capita GDP surpassed the USD 5,000 level for the first time.

The industry sector expanded by 7.8 percent, supported by growth across construction, manufacturing, and mining and quarrying activities. Improved availability of inputs, easing cost pressures, and the gradual restoration of investor confidence contributed to the sustained expansion of industrial activity during the year.

The services sector, which remained the largest contributor to economic output at 54.6 percent of GDP, grew by 3.3 percent, driven by improvements in food and accommodation, financial services, information technology and related activities, and transportation. Tourist arrivals reached to 2,362,521 in 2025, with earnings from tourism amounting to USD 3.2 billion, reflecting a continued recovery in global travel and improvements in Sri Lanka's tourism offering.

The agriculture sector recorded moderate growth of 1.4 percent, supported by expansions in livestock, plant propagation, and key crop categories—including tea, coconut, and rice— despite weather-related disruptions that affected certain sub-sectors during the year.

On the demand side, investment expenditure grew by 22.4 percent at current market prices, supported by improved credit conditions, an easing monetary policy stance, and a recovery in business confidence. Private consumption expenditure, which accounted for 67.5 percent of GDP, increased by 6.0 percent, reflecting improvements in household incomes and the gradual normalisation of domestic economic activity.

The national savings-to-GDP ratio improved to 31.2 percent in 2025 from 27.6 percent in 2024, reflecting strengthened financial conditions and improved income levels across the economy. The broad-based nature of this expansion—encompassing all major sectors and both the consumption and investment components of demand—suggests that the recovery is grounded in improved economic fundamentals rather than temporary or sector-specific factors.

Monetary policy in 2025 remained accommodative, aimed at supporting the ongoing economic recovery while preserving the price stability achieved in earlier tightening cycles. The Central Bank of Sri Lanka (CBSL) reduced the Overnight Policy Rate (OPR) by 25 basis points to 7.75 percent in May 2025, maintaining it at that level through the remainder of the year, continuing the accommodative cycle initiated in June 2023 amid declining inflation and improving macroeconomic conditions. However, monetary policy was tightened on May 26, 2026, with the OPR raised by 100 basis points to 8.75 percent, reflecting the heightened uncertainties on both domestic and global fronts.

Headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index (CCPI), remained in negative territory for eleven consecutive months from September 2024 to July 2025, largely due to downward revisions in energy prices and favourable base effects. Inflation returned to positive territory in August 2025 and increased gradually to 2.1 percent by end-2025.

Inflation rose to 5.5 percent in May 2026, primarily due to elevated global fuel prices that necessitated a sharp upward adjustment in domestic fuel prices. This uptick is largely supply-driven, though demand-side pressures have strengthened, as reflected in the expansion of private sector credit and credit-driven imports, among others. Meanwhile, effective from May 25, 2026, a maximum loan-to-value (LTV) ratio of 70 percent for credit facilities secured by gold was introduced, while the maximum LTV ratios for motor vehicles were tightened to 60 percent for commercial vehicles and 40 percent for personal vehicles, to promote prudent lending practices and safeguard the resilience of financial institutions.

The performance of the Colombo Stock Exchange (CSE) reflected improved market confidence and investor sentiment, with the All-Share Price Index (ASPI) recording a significant increase of 41.9 percent to 22,624.3 points at end-2025, and market capitalization rising by 41.7 percent to Rs. 8,068.6 billion. The financial sector maintained overall stability during the year, with capital buffers remaining adequate and the impaired loan ratio declining from 12.3 percent at end-2024 to 9.7 percent at end-2025, although continued vigilance is warranted given the still-elevated level of non-performing assets. The ASPI reached a historic peak of 23,992.1 points in early 2026 before declining to a trough of 20,247.1 points by late March 2026, following the onset of the Middle East conflict, subsequently recovering to 22,199.2 points by May 27, 2026, reflecting the underlying resilience of domestic economic fundamentals.

Labour market conditions improved, with the unemployment rate declining to 3.9 percent in 2025 from 4.4 percent in 2024 and the labour force participation rate rising to 49.4 percent, reflecting the gradual absorption of workers into a recovering economy across all major sectors.

Fiscal performance was particularly noteworthy: the primary budget surplus reached 5.4 percent of GDP—the highest level recorded in Sri Lanka's fiscal history—and total tax revenue rose to 15.4 percent of GDP —the highest level recorded since 1997— driven by tax policy reforms, improvements in tax administration, and the broader recovery in domestic economic activity. Total government revenue including grants increased by 34.1 percent to Rs. 5,485.6 billion in 2025, raising the revenue-to-GDP ratio to 16.7 percent from 13.6 percent in 2024.

The current account of the budget recorded a surplus of 0.7 percent of GDP in 2025—the first such surplus recorded in the fiscal history of Sri Lanka—driven by strong revenue performance and contained growth in recurrent expenditure, signifying that government revenue was sufficient to meet its day-to-day expenses. The overall fiscal deficit narrowed to 2.3 percent of GDP in 2025, a substantial improvement from the double-digit deficit levels recorded during the crisis period.

The strong revenue performance in 2025 was supported by improvements across all major tax categories. The removal of temporary import restrictions on motor vehicles—in place since 2020—resulted in a significant increase in revenue from Excise Duty, Value Added Tax (VAT), and Customs Import Duty (CID). Excise Duty revenue from motor vehicles increased from Rs. 58.6 billion in 2024 to Rs. 471.8 billion in 2025. Revenue from VAT and CID on motor vehicles rose to Rs. 231.2 billion and Rs. 146.1 billion, respectively. Total revenue from CID including motor vehicles increased by 148.2 percent to Rs. 275.9 billion. Revenue from VAT including motor vehicles increased by 33.4 percent to Rs. 1,746.9 billion, supported by both the increase in import-related VAT collections and improved domestic VAT compliance, with the number of registered VAT taxpayers increasing by 56.3 percent to 33,187 by end-2025 from 21,227 by end December 2024. Income tax revenue increased by 11.0 percent to Rs. 1,139.4 billion, driven by higher salary levels, and the upward revision of corporate income tax rates on selected industries.

Notwithstanding the pressures emanating from the Middle East conflict and trade policy uncertainties, fiscal performance in the first four months of 2026 remained strong: tax revenue increased significantly by 31.7 percent to Rs. 1,776.9 billion; expenditure rose modestly by 8.0 percent to Rs. 1,853.3 billion; the primary balance recorded a surplus of Rs. 862.7 billion; and fiscal balance recorded a surplus of Rs. 105.0 billion.

With the debt restructuring process largely concluded, 2025 saw the benefits of these arrangements more clearly reflected in Sri Lanka's debt dynamics and fiscal position. The notable reduction in near-term debt service obligations—resulting from the restructuring agreements with official bilateral creditors and commercial bondholders—contributed to an easing of external financing pressures, creating additional fiscal space for essential public expenditure, social protection, and development activities.

Central government debt declined to 94.9 percent of GDP in 2025—as per PDMO—reflecting the combined effect of the debt restructuring, the strong primary surplus and the improvement in nominal GDP growth. The debt-to-GDP ratio is projected to continue declining over the medium term, in line with the debt sustainability objectives of the reform programme, with the remaining elements of the debt restructuring process expected to be completed by 2026. These developments indicate a meaningful improvement in Sri Lanka's debt position and support ongoing efforts to restore and maintain debt sustainability over the medium term.

The external sector recorded a strong performance in 2025, supported by improvements across key external inflow categories and the continued strengthening of the balance-of-payments position.

Earnings from exports increased by 6.3 percent to USD 13,581.4 million in 2025, reflecting improved performance across both industrial and agricultural exports. Industrial exports, led by textiles and garments, accounted for 77.0 percent of total export earnings, while

agricultural exports grew by 10.7 percent, with tea export earnings rising by 5.0 percent to USD 1,507.2 million. Expenditure on imports rose by 14.0 percent to USD 21,479.9 million in 2025. The widening of the trade deficit—greater expansion in import expenditure than the increase in export earnings—largely reflects economic normalization and the easing of import restrictions, rather than a deterioration in underlying external sector conditions.

Workers' remittances recorded a significant increase of 22.8 percent to USD 8,076.2 million in 2025, driven by higher departures for foreign employment and a continued shift toward formal remittance channels, supported by improved exchange rate stability and renewed confidence in the domestic banking system.

The current account of the balance-of-payments recorded a surplus of 1.6 percent of GDP in 2025, compared to a surplus of 1.2 percent of GDP in 2024, marking the third consecutive year of current account surplus and reflecting structural improvement in Sri Lanka's external position.

Gross official reserves increased to USD 6,838 million at end-2025 from USD 6,122 million at end-2024, while total external assets rose to USD 16.1 billion, reflecting a substantially stronger external buffer relative to the critically depleted reserve position experienced during the crisis period.

The Sri Lankan rupee depreciated by 5.6 percent against the US dollar during 2025 under the flexible exchange rate framework, reflecting increased import demand and external debt servicing obligations.

Box 1.3 | Reforms Implemented in 2025 towards Economic Stability

Sri Lanka has implemented wide-ranging and necessary reforms under the IMF-EFF programme to restore macroeconomic stability, strengthen revenue-based fiscal consolidation, reduce corruption vulnerabilities, enhance governance, and support sustainable development. These reforms cover key areas including economic and fiscal policy, legal and institutional frameworks, and digital transformation. The reform agenda has yielded positive outcomes, as reflected in the recovery of economic activity in 2025, the easing of inflationary pressures, stronger tax revenue mobilization, improved foreign exchange reserves, and the stabilizing effects of debt relief on the public. In this context, it is critical to sustain the reform momentum to address past policy weaknesses, secure long-term stability, and further improve the living standards of the people.

Key Reforms in 2025:

1. A New Legal Architecture for Fiscal Discipline

- Gambling Regulatory Authority Act, No. 17 of 2025 to establish a single independent authority to regulate all gambling activities.
- Sri Lanka Electricity (Amendment) Act, No. 14 of 2025 to provide a legal framework for unbundling the Ceylon Electricity Board.
- Strategic Development Projects (Amendment) Act, No. 26 of 2025 to introduce transparent, rule-based eligibility criteria for granting tax incentives.
- Publication of Tax Expenditure Statement to publicly disclose the revenue foregone through tax exemptions and concessions.
- Publication of Fiscal Strategy Statement, accompanying Fiscal Risks Statement to present a medium-term fiscal roadmap and a disclosure of fiscal risks.

Box 1.3 I Reforms Implemented in 2025 towards Economic Stability Contd...

2. Major Tax Policy Reforms: Broadening the Base, Indexing the Rates

With effect from January 11, 2025;

- Increase Excise duty for all excisable articles including liquor by 5.9 percent based on an annual inflation-adjusted indexation.

With effect from February 01, 2025;

- Imposition of Customs Import Duty at the rate of 20 percent and a surcharge of 50 percent on the importation of motor vehicles
- Increase Excise Duty on electric motor vehicles by 100 percent.
- Revision of the Luxury Tax on Motor Vehicles threshold by Rs. 1.5 million for each fuel category, except electric vehicles.

With effect from April 01, 2025;

- Increase Corporate Income Tax rate on liquor, tobacco, betting and gaming activities from 40 percent to 45 percent.
- Increase Withholding Tax rate on interest from 5 percent to 10 percent.
- Increase tobacco tax on beedi from Rs. 2 per stick to Rs. 3 per sticks effective from April 02, 2026.
- Increase personal income tax relief of an individual from Rs. 1,200,000/- per annum to Rs. 1,800,000/- per annum and revise the tax rates applicable on the taxable income of an individual.

Amendments to the Personal Income Tax (PIT) structure

Marginal Tax rate (%)	Annual Taxable Income (Rs. Mn.)	
	Previous Regime	current Regime
0	Up to 1.2	Up to 1.8
6	1.2 – 1.7	1.8 – 2.8
12	1.7 – 2.2	-
18	2.2 – 2.7	2.8 – 3.3
24	2.7 – 3.2	3.3 – 3.8
30	3.2 – 3.7	3.8 – 4.3
36	Over 3.7	Over 4.3

- Repeal of the Simplified VAT (SVAT) system with effect from October 01, 2025, and introduction of a risk-based VAT refund mechanism to expedite the refund process.
- Introduction of a Four-Band Customs Import Duty Structure of 0 percent, 10 percent, 20 percent, and 30 percent effective from April 01, 2026.
- Reduction of the registration threshold applicable for the Social Security Contribution Levy (SSCL) to Rs. 36 million per annum from Rs. 60 million per annum with effect from July 01, 2026
- Complete phasing out of the Para-Tariff CESS by 2029, with an initial 50 percent reduction of CESS applicable to intermediate inputs, effective from April 01, 2026.

Box 1.3 I Reforms Implemented in 2025 towards Economic Stability Contd...

3. Tax Administration and Institutional Re-tooling

Inland Revenue Department

- Criminal Investigation Unit pursued legal action against non-compliant individuals in 2025
- Introduction of a Simplified Individual Income Tax Return form for 2023/2024, including pre-populated data to reduce manual entry, simplify filing, and minimize tax evasion risks.
- Expansion of the Risk Management Unit and extension of risk-based audit mechanisms to individual taxpayers and small corporate entities to improve compliance monitoring.
- Strengthening of the Exporter Refund Unit following the abolition of SVAT, including its reorganization into verification and processing units, enabling risk-based VAT refunds within 45 days supported by RAMIS enhancements.
- Initiation of the National Electronic Invoicing System, with successful completion of Phase I pilot implementation for selected taxpayers with API-ready ERP systems.
- Establishment and operationalization of the Internal Affairs Unit to handle complaints and disciplinary matters.

Sri Lanka Customs

- Establishment of an Internal Affairs Unit and formalization of a Code of Conduct
- Implementation of the Automated Risk Management System (Phase One)
- Introduction of the Cargo Flow Consignment Release System
- Implementation of the e-Vessel System to facilitate the collection and recovery of vessel-related charges.
- Development of a system to monitor foreign exchange remittances.
- Signing of an MOU with Inland Revenue Department for combined audit and investigation activities Signing of an MOU between BOI and Sri Lanka Customs for facilitation of BOI special zones

Excise Department

- Established a risk management unit to identify, assess, and mitigate risks associated with excise revenue collection.
- Strengthening of Special Operations Bureau.
- Established a Financial Intelligence Unit (FIU).
- Initiation of the digitalization of the Revenue Administration System of the Excise Department (RASED).
- Signing of an MOU with the Sri Lanka Navy and the Inland Revenue Department to strengthen operational coordination and enhance revenue enforcement activities.

In addition to the improvements in macroeconomic indicators, 2025 saw significant progress in structural and institutional reforms, strengthening the foundations for sustainable and disciplined economic governance. The operationalization of the Public Debt Management Office (PDMO) in December 2024, followed by the publication of the Medium-Term Debt Management Strategy (MTDMS) 2025–2029 and the Annual Borrowing Plan 2025 in early 2025, gave effect to the new debt management framework and enhanced transparency in the Government's borrowing and debt risk management.

In addition, the PDMO continued to strengthen its institutional capacity and has been conducting domestic bond auctions since December 2025. The new debt management information system (Meridian) is expected to be operationalized, with payment procedures to be improved and the technical capacity of staff further strengthened.

The Fiscal Strategy Statement (FSS) and the accompanying Fiscal Risk Statement (FRS), published in June 2025 in accordance with the Public Financial Management Act (PFMA), further strengthened the fiscal discipline, transparency, and the predictability of fiscal policymaking by providing Parliament and the public with a structured account of the Government's medium-term fiscal objectives and the risks to their achievement.

On the tax administration front, the repeal of the Simplified Value Added Tax (SVAT) system on September 30, 2025 marked a significant structural reform. The SVAT system had contributed to administrative complexity over time. Its replacement with a risk-based VAT refund scheme for eligible exporters and projects has improved VAT compliance and exporters' cash flow, with refunds being processed within the legally mandated time-frame.

Meanwhile, the Inland Revenue Department (IRD) initiated a VAT compliance improvement programme in mid-2025, encompassing field visits, minimization of the use of temporary VAT numbers in collaboration with Sri Lanka Customs (SLC), and completion of Phase I of the taxpayer registry cleaning and updating exercise. In addition, an IRD modernization strategy and implementation plan was prepared to strengthen the compliance risk management. The High Wealth Individuals Unit (HWIU) conducted risk-based audits to improve tax compliance among high-risk individuals and companies.

Sri Lanka Customs (SLC) also implemented several tax administration improvement measures during 2025. The SLC commenced the development of an Automated Risk Management System in early 2025, comprising a Data Analytics Platform to integrate key Customs databases and a Customs Document Notification System launched in August 2025 to enhance real-time communication with importers, exporters, and licensed declarants. Meanwhile, the Excise Department of Sri Lanka (EDSL) progressed the Revenue Administration System for Excise Department (RASED)—a comprehensive digital platform to automate core excise operations—and initiated its integration with the SLC's ASYCUDA system to enable real-time verification of import data.

In 2025, the Government maintained cost-reflective pricing mechanisms for fuel and electricity, in line with the formula-based monthly adjustment framework for fuel and the semi-annual adjustment framework for electricity. However, these pricing mechanisms were temporarily disrupted by the sharp rise in fuel prices arising from the Middle East conflict escalated in early 2026, notwithstanding two fuel price increases in March 2026. The Government provided Rs. 15 billion to CPC to compensate for accumulated losses, while extending temporary support to the population through fuel, electricity, and fertilizer subsidies, as well as a one-off cash top-up to Aswesuma households, with the total relief package amounting to Rs. 100 billion.

The CPC restored the cost-recovery fuel pricing effective from May 1, 2026, with forward-looking cost-recovery electricity pricing will be restored in June 2026. The continued restoration of the pricing mechanism is expected to improve the financial sustainability of the CPC and reducing quasi-fiscal losses in the energy sector. The

unbundling of the Ceylon Electricity Board (CEB) is expected to improve operational efficiency, enhance transparency in electricity sector finances, and support the development of a more competitive and commercially viable electricity market.

Overall, these structural and institutional reforms reflect a sustained effort to address the underlying governance and institutional weaknesses that contributed to fiscal vulnerabilities and to improve the financial viability of State-Owned Enterprises (SOEs).

The Government is committed to enhancing governance and transparency in SOEs through Statements of Corporate Intent (SCI) underpinned by informed KPIs, and ensuring that all 51 major SOEs publish their audited financial statements by end-June of the following year. An SOE Bill is expected to be submitted to Parliament to assure the independence of boards of directors, reinforce the Ministry of Finance's oversight, and strengthen transparency, accountability, and governance.

Governance and anti-corruption reforms continued to advance in 2025, underpinned by the Government's commitment to strengthening institutional integrity as an integral component of the broader economic reform programme. The Commission to Investigate Allegations of Bribery and Corruption (CIABOC) was further strengthened during the year, with measures taken to safeguard its budgetary and staffing independence, accelerate recruitment, and enhance the effectiveness of the asset declaration system for public officials.

The implementation of the Government Action Plan (GAP) 2025 on governance reforms together with GAP 2026 was published in March 2026, as part of implementation of the Governance Diagnostic Assessment report published on September 30, 2023. Specific improvements to the asset declaration framework included the expansion of public access to published declarations, the revision of declaration forms to incorporate beneficial ownership information, and the operationalisation of an electronic declaration system, improving the transparency and integrity of the public sector disclosure regime. The Companies Act was amended in August 2025 to introduce beneficial ownership requirements in line with Financial Action Task Force standards, and the Beneficial Ownership Registry was operationalized, representing a significant step toward improving the transparency of corporate ownership structures and reducing associated corruption vulnerabilities.

The Strategic Development Projects Act and the Port City Act were amended, introducing transparent and rules-based eligibility criteria for the provision of tax incentives, limiting the types and duration of incentives, and improving disclosure requirements, thereby addressing a long-standing source of opacity in investment-related tax policy. The Investment and Trade Commission Act is expected to provide rules-based eligibility criteria for the granting of incentives.

In the area of Customs governance and trade facilitation, efforts continued to reduce discretionary intervention through improvements in risk-based assessment, and reduction in reliance on face-to-face document review of Customs declarations. From August 2025, the Government commenced the publication of quarterly reports on the implementation progress of anti-corruption measures by each revenue department, enhancing public accountability and transparency in revenue administration.

The Government also published the Tax Expenditure Statement 2023/2024 in February 2025, followed by an enhanced and more comprehensive version in November 2025, providing a detailed disclosure of the fiscal cost of existing tax exemptions, deductions, and concessions, and enabling Parliament and the public to better assess the revenue implications of tax policy decisions. Overall, these measures reflect continued progress in addressing the governance and institutional weaknesses.

Social protection remained a central pillar of the Government's policy priority agenda, with measures to strengthen the coverage, targeting, and delivery of welfare programmes, while extending support to public sector employees

and pensioners. The Government incurred 3.4 percent of GDP for household subsidies and transfers in 2025, of which 0.7 percent was spent on Aswesuma programme. Efforts have been made to improve beneficiary targeting through the onboarding of approximately 450,000 new applicants from the second application round launched in 2024 to address exclusion errors, and to accelerate disbursements under the Empowerment Programme, which provides skills training and livelihood grants to Aswesuma beneficiaries.

In 2025, stationery allowances were provided to children in underprivileged schools, reflecting the Government's commitment to supporting educational access for vulnerable households. Steps were also taken toward the introduction of the Integrated Welfare Management System, which will support the recertification of first-round Aswesuma applicants and improve the integrity and accuracy of the social registry.

In the area of public sector remuneration, a revision of public sector salaries was implemented with effect from April 2025, with the minimum monthly basic salary increased to Rs. 40,000 from Rs. 24,250, integrating interim and special allowances into the basic salary structure. Under the Budget 2025 proposals, a phased revision of the pensions of all public servants who had retired before January 2020 was announced, addressing long-standing pension anomalies and improving the financial well-being of retirees. These measures were made possible by the fiscal space generated through the strong revenue performance of 2025 and reflect the Government's approach of pursuing fiscal consolidation and social protection as complementary rather than competing objectives, ensuring that the gains of economic recovery translate into improved living standards across society.

The Government provided a swift response to Cyclone Ditwah, which made landfall in late November 2025, by providing emergency relief, restoring essential services, and supporting affected communities, while benefiting from the fiscal space built through strong revenue performance without undermining overall macroeconomic stability. In accordance with Section 16 of the Public Financial Management Act, No. 44 of 2024 (PFMA), the Government activated the escape clause provisions to accommodate the additional expenditure requirements for relief and reconstruction, providing a transparent and rules-based mechanism for a temporary deviation from the primary expenditure ceiling.

Box 1.4 | Governance Reforms in Sri Lanka: 2025 -2026 and Way Forward

Empirical research highlights that improvement in governance and political stability—including enforcement of the rule of law, strengthening of institutions, and reduction of corruption—positively impact on economic growth, particularly in developing countries. In this context, the Government recognized the importance of improving governance and establishing good governance practices from late 2024. The government is commitment to introducing and implementing governance reforms, with significant early achievements, including the enactment of the Proceeds of Crime Act, No. 5 of 2025; the strengthening of the Commission to Investigate Allegations of Bribery or Corruption (CIABOC) mandate; the restoration of elected local government following a seven-year suspension, and sustained investment in digitalization of public administration. Assessments by the International Crisis Group (April 2026) and Human Rights Watch (World Report 2026) recognized the government's anti-corruption efforts and economic management, while noting that these merit continued attention and progress. With a strong legislative mandate and a clearly articulated reform agenda, the Government is well positioned to build upon its foundational achievements and deliver meaningful, time-bound outcomes that advance governance and inclusive development in the years ahead.

Box 1.4 | Governance Reforms in Sri Lanka: 2025 -2026 and Way Forward contd...

Anti-Corruption Reform

Anti-corruption has emerged as a key governance pillar of the government, advanced under the 'Clean Sri Lanka' initiative across legislative, institutional, and enforcement dimensions. The Proceeds of Crime Act, No. 5 of 2025 marks a landmark step in Sri Lanka's anti-corruption framework, enabling authorities to seize, freeze, and dispose of illegally acquired assets without requiring a prior criminal prosecution. This represents a significant shift in the country's approach to combating corruption, strengthening its capacity to recover unlawfully acquired wealth and promote greater accountability. Complementing this, the National Anti-Corruption Action Plan 2025–2029 (NACAP) was formally launched on 9 April 2025 by the CIABOC with United Nations Development Programme (UNDP) support, structured around four strategic pillars encompassing prevention, institutional strengthening and enforcement, public education, and law and policy reform. The expanded CIABOC mandate under the Anti-Corruption Act, No. 9 of 2023 further broadened the Commission's jurisdiction to include money laundering, private sector bribery, and trading in influence, and resulted in over a dozen major investigations involving senior political figures and public officials. At the enforcement level, the Government has pursued high profile accountability measures.

Rule of Law and Civil Liberties

Progress in the area of rule of law and civil liberties has been measured, with several legislative and accountability commitments at an early stage of implementation. Notably, the Government has prioritized strengthening the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) framework, with amendments to the Convention on the Suppression of Terrorist Financing Act, No. 25 of 2005, the Prevention of Money Laundering Act, No. 5 of 2006, and the Financial Reporting Act, No. 6 of 2006 being progressed to strengthen compliance with international standards. The Online Safety Act, No. 9 of 2024 is in effect, and amendments are under consideration by the Government following public consultation. Sustained institutional follow-through across these areas will be essential to fulfilling the Government's reform commitments.

Public Administration and Digital Governance

The Government has demonstrated a sustained commitment to modernizing public administration, advancing a comprehensive digital transformation agenda across multiple tiers of government. Key initiatives include the establishment of the GovPay system to facilitate digital payments for government institutions, the introduction of online platform payments in place of cash-based transactions, and the rollout of the Sri Lanka Unique Digital Identity Project to support streamlined access to public services.

Further structural developments include the establishment of a Digital Economy Authority, the implementation of e-invoicing across relevant institutions, the creation of Virtual Special Economic Zones to attract digital investment, and continued investment in broader digital infrastructure projects. At the grassroots level, the e-Grama Niladhari Platform has been deployed to digitalise village-level administration, while the Digital Economy Advancement Programme supports inter-agency communication modernization and capacity-building across provincial and local government institutions.

Collectively, these initiatives are expected to yield measurable gains in government revenue through reduced leakages, improved tax compliance, and greater transactional transparency, while strengthening the efficiency, accessibility, and accountability of public service delivery. These developments reflect a coherent and forward-looking agenda to position Sri Lanka's public sector within a modern digital governance framework.

A supplementary budget of Rs. 500 billion was approved by Parliament to support relief and reconstruction efforts, with spending prioritized in line with the recovery needs identified in the Post-Disaster Needs Assessment. Consistent with the requirements of the PFMA, the Government committed to publishing a fiscal recovery plan outlining the measures and timeline to return to the established fiscal rules following the activation of the escape clause. The ability to respond to a major natural disaster through established institutional mechanisms, while maintaining overall macroeconomic stability and other commitments, reflects the strengthening of Sri Lanka's fiscal and institutional frameworks over the reform period.

Despite the substantial progress achieved in 2025, significant challenges and risks remain, requiring continued reform efforts and careful policy management in the period ahead.

The announcement of reciprocal tariff measures by the United States in 2025 demonstrated Sri Lanka's vulnerability to external trade shocks, which necessitates diversification of exports and penetration of new markets, improving export competitiveness, and accelerating the conclusion of free trade agreements with strategic partners. The Government is committed to advancing a National Export Strategy and trade facilitation reforms, including the phasing out of para-tariffs and engagement with regional trading arrangements, to strengthen the resilience of the external sector.

In the period ahead, geopolitical developments, particularly stemming from the Middle East conflict are expected to introduce renewed uncertainty in global energy markets, with implications for fuel import costs, domestic energy pricing, and the sustainability of cost-reflective fuel pricing mechanisms. Managing these pressures while protecting vulnerable households and maintaining fiscal sustainability will require careful and coordinated policy responses.

The progress achieved in 2025 provides a strong foundation for the period ahead; however, sustaining and building on the gains will require continued commitment to the reform programme. The continued deepening of structural reforms that underpin long-term competitiveness and inclusive growth will be essential to translating macroeconomic stability into sustained improvements in living standards and economic sustainability.

1.2 Economic Conditions in 2025

Sri Lanka's economy sustained its growth momentum in 2024 and 2025, recording a real GDP growth rate of 5 percent in both years despite challenges arising from adverse weather events, global uncertainties, and geopolitical tensions. The broad-based growth was sustained throughout the year, with each quarter recording positive growth across in all three major sectors—agriculture, industry, and services. This robust economic performance was supported by improved macroeconomic conditions, policy reforms, stronger external sector performance, and renewed confidence.

Figure 1.1 | Quarterly GDP Growth Rate
(Percent)

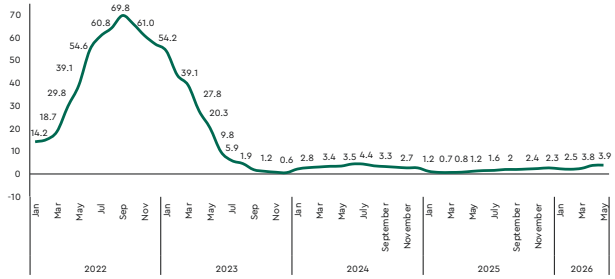
Source : Department of Census and Statistics

Deflation persisted through the first seven months of 2025, after which inflation turned positive in August 2025 and continued to rise gradually thereafter. Deflationary trend in early 2025 was driven by downward revision to electricity tariffs in January 2025 and partly offset by price increases stemming from VAT adjustments. This deflationary trend began to ease from March 2025 due to the increase in food inflation and upward revisions to electricity tariffs in June 2025. Food prices increased notably in December 2025 due to supply disruptions stemming from adverse weather conditions and elevated festive demand. Headline Inflation, as measured by the year-on-year change in the Colombo Consumer Price Index (CCPI, 2021=100), increased to 2.1 percent

at end 2025 from deflation of 1.7 percent at end 2024. The National Consumer Price Index (NCPI, 2021=100) based Y-o-Y headline inflation also followed a similar trend, accelerating to 2.9 percent by end 2025 from -2.0 percent by end 2024. Inflation thus returned to positive territory by end 2025, reflecting a gradual move toward the Central Bank's medium-term inflation target of 5 percent, supported by a more accommodative monetary policy stance.

Inflation escalated further in May 2026, driven mainly by supply-side shocks arising from the impact of the Middle East conflict.

Figure 1.2 | Monthly Movements of Y-o-Y Headline Inflation - Colombo Consumer Price Index (CCPI)

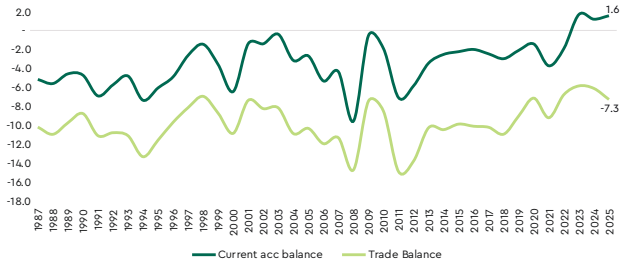


Source : Department of Census and Statistics
Note: January 2022 – January 2023 based on CCPI (2013=100) and February 2023 – May 2025 based on CCPI (2021=100)

The unemployment rate declined to 3.9 percent in 2025 from 4.4 percent in 2024, indicating a gradual integration of workers into economic activities. The labour force participation rate increased to 49.4 percent in 2025, from 47.4 percent in 2024. Departures for foreign employment decreased by 1.1 percent to 311,223 persons in 2025, while skilled labour migration dropped by 3 percent, indicating a contraction in the outflow of skilled workers.

According to the World Bank's Sri Lanka Development Update, Sri Lanka's poverty rate is projected to decline to 22.7 percent in 2025 from 24.5 percent in 2024. Despite this gradual improvement, poverty levels remain significantly higher than the pre-pandemic rate of 11.3 percent recorded in 2019, underscoring the persistent socioeconomic impacts of recent economic shocks and the uneven pace of recovery. Sustained and well-coordinated policy efforts are therefore essential to address persistently high poverty levels and ensure an inclusive recovery, stable livelihoods, and resilient income sources.

Figure 1.3 | Trade Balance and Current Account Balance
(As a percentage of GDP)

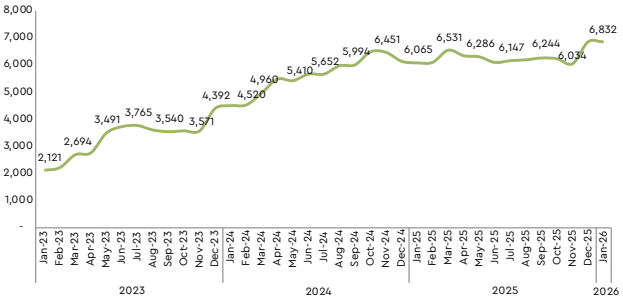


Source : Central Bank of Sri Lanka

The external sector strengthened in 2025, recording a current account surplus for the third consecutive year amidst heightened global volatility. The current account recorded a surplus of USD 1.7 billion in 2025, compared to a USD 1.2 billion surplus in 2024, supported by a services account surplus, strong performances in workers' remittances and tourism earnings.

Tourism earnings increased to USD 3.2 billion in 2025, recording marginal growth of 1.6 percent compared to 2024, while workers' remittances increased to USD 8.1 billion in 2025 from USD 6.6 billion in 2024. The trade deficit widened to USD 7.9 billion in 2025 from USD 6.1 billion in 2024, driven by a notable increase in vehicle imports following the removal of import restrictions, together with higher imports of investment goods.

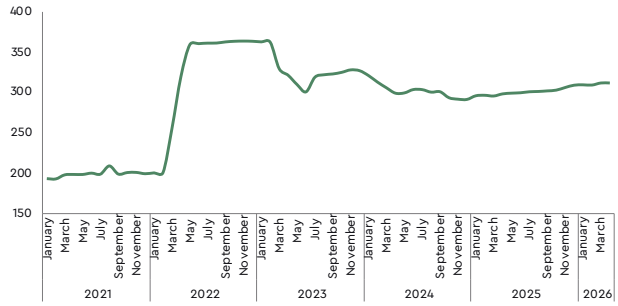
Figure 1.4 | Gross Official Reserves
(USD Million)



Source : Central Bank of Sri Lanka

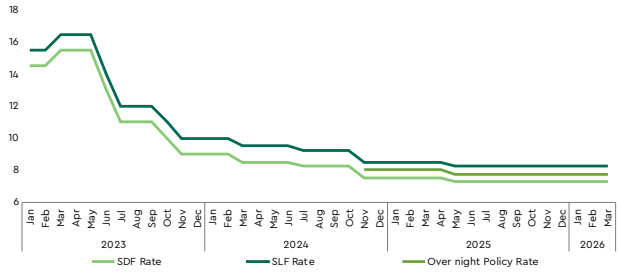
Gross official reserves (GOR) increased to USD 6.8 billion at the end of 2025 from USD 6.1 billion at the end of 2024. Substantial net foreign exchange purchases by the Central Bank from the domestic foreign exchange market, together with inflows from the International Monetary Fund, World Bank, and the Asian Development Bank, were the main drivers of the increase in GOR. The Sri Lankan rupee depreciated modestly by 5.6 percent against the US dollar in 2025, mainly due to increased imports, particularly higher vehicle imports following the removal of import restrictions.

Figure 1.5 | Exchange Rate Movements
(LKR/USD)



Source : Central Bank of Sri Lanka

Figure 1.6 | Policy Interest Rates (%)
(Percent)

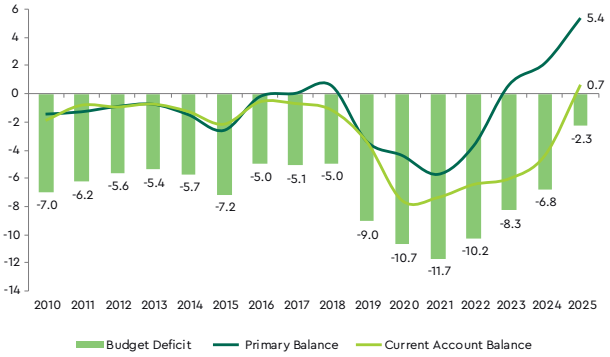


Source : Central Bank of Sri Lanka

1.3 Fiscal Performance

Total revenue and grants increased by 3.2 percentage points to 16.7 percent of GDP in 2025 from 13.6 percent of GDP in 2024, mainly driven by the relaxation of import restrictions on motor vehicles and tax revenue measures, including administrative improvements. The expenditure-to-GDP ratio declined to 19.0 percent in 2025 from 20.4 percent in 2024, due to the containment of recurrent expenditure, particularly the reduction in interest payments and expenditure on goods and services.

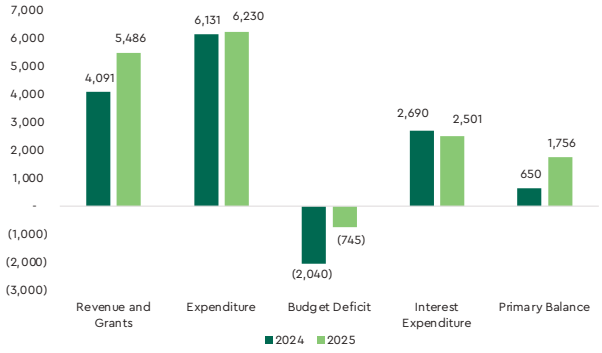
Figure 1.7 | Major Fiscal Balances
(As a percentage of GDP)



Source : Department of Fiscal Policy

Accordingly, the primary surplus in 2025 increased to 5.4 percent of GDP, representing the highest level recorded in history. In parallel, the overall budget deficit narrowed to 2.3 percent of GDP. Meanwhile, the current account balance registered a surplus of 0.7 percent of GDP in 2025.

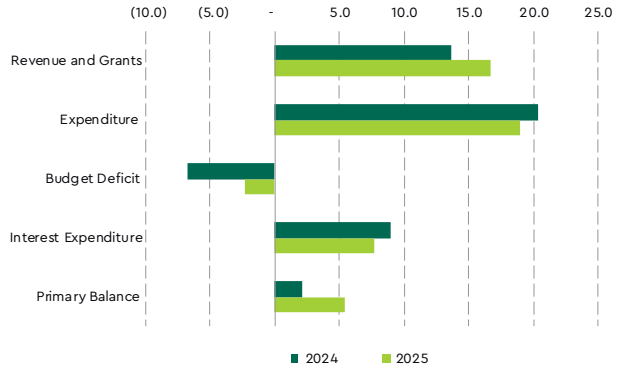
Figure 1.8 | Government Fiscal Operations 2024/2025
(Rs. Billion)



Source : Department of Fiscal Policy

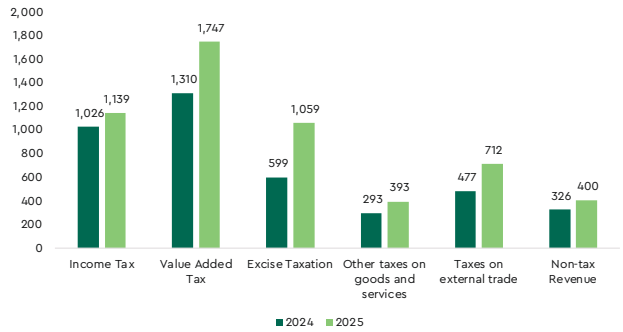
In nominal terms, total revenue and grants increased by 34.1 percent to Rs. 5,485.6 billion in 2025 from Rs. 4,090.8 billion in the previous year. Total expenditure marginally increased by 1.6 percent to Rs. 6,230.4 billion in 2025 from Rs. 6,130.7 billion in 2024. Accordingly, the primary surplus increased to Rs. 1,755.8 billion, while the overall budget deficit narrowed to Rs. 744.9 billion in 2025.

Figure 1.9 | Government Fiscal Operations 2024/2025
(As a percentage of GDP)



Source : Department of Fiscal Policy

Figure 1.10 | Revenue Performance 2024/2025
(Rs. Billion)



Source : Department of Fiscal Policy

Government Revenue

Total government revenue, including grants, increased significantly by 34.1 percent to Rs. 5,485.6 billion in 2025. This growth was primarily driven by a substantial increase in tax revenue, which rose by 36.3 percent to Rs. 5,049.2 billion from Rs. 3,704.6 billion in the previous year.

Consequently, the tax-to-GDP ratio improved by 3.1 percentage points to 15.4 percent in 2025 from 12.3 percent in 2024. This strong tax revenue performance was mainly driven by an increase in revenue from goods and services taxes of 45.3 percent to Rs. 3,198.1 billion, and an increase in income tax revenue of 11.0 percent to Rs. 1,139.4 billion, and an increase in tax revenue from external trade of 49.1 percent to Rs. 711.7 billion. The increase in tax revenue is largely supported by higher revenues from motor vehicle imports following the relaxation of import restrictions, increased domestic VAT collections, the implementation of revenue policy measures introduced in 2025 Budget, and strengthened tax administration efforts.

Revenue from Excise Duty increased by Rs. 460.2 billion, or 76.9 percent, to Rs. 1,058.7 billion in 2025 from Rs. 598.5 billion in 2024, driven by revenues from motor vehicle imports together with the upward revision of unit tax rates on excisable articles—including liquor, motor vehicles, cigarettes, and sugar-based beverages—by 5.9 percent, following the implementation of inflation-adjusted indexation in January 2025.

Revenue from Value Added Tax (VAT) increased by Rs. 437.2 billion, or 33.4 percent, to Rs. 1,746.9 billion in 2025 from Rs. 1,309.7 billion in 2024. This increase was primarily driven by higher revenue collections following the removal of import restrictions on motor vehicles, as well as the expansion of domestic economic activities, including in the financial services sector.

Revenue from import duty increased significantly by Rs. 164.7 billion, or 148.2 percent, to Rs. 275.9 billion in 2025, primarily driven by the increase in imports, particularly motor vehicle imports, emerging as the largest contributor to external sector revenue. Meanwhile, revenue generated from the Special Commodity Levy (SCL), CESS, and Ports and Airports Development Levy (PAL) increased by 42.9 percent to Rs. 164.6 billion, 11.4 percent to Rs. 90.4 billion, and 6.4 percent to Rs. 180.9 billion, respectively, thereby contributing positively to external trade revenue in 2025 compared to the previous year.

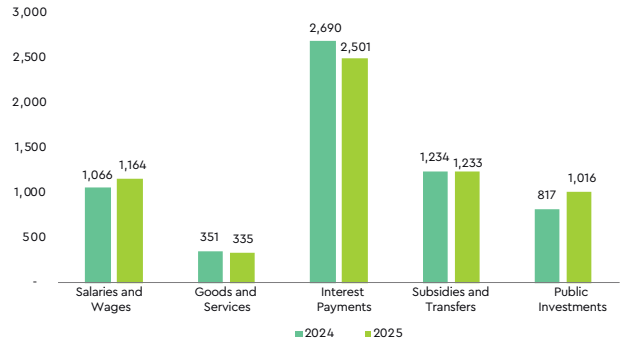
Revenue from income tax also increased due to the implementation of revenue policy measures announced in the 2025 Budget, including the imposition of a 15 percent Corporate Income Tax (CIT) on the export of services, the increase in CIT on liquor, tobacco, betting, and gaming industries to 45 percent from 40 percent, and the increase in Withholding Tax (WHT) on interest income to 10 percent from 5 percent, along with strengthened tax administration measures, particularly within key revenue collecting institutions.

Non-tax revenue, including fees and charges, profits and dividends, rent income, and interest income, increased by 22.7 percent to Rs. 400.2 billion in 2025 from Rs. 326.3 billion in 2024, reflecting the acceleration of economic activities.

Government Expenditure

Total government expenditure increased marginally by 1.6 percent to Rs. 6,230.4 billion in 2025 from Rs. 6,130.7 billion in 2024. Recurrent expenditure declined slightly by 2.0 percent to Rs. 5,232.4 billion in 2025 from Rs. 5,339.9 billion in 2024. Recurrent expenditure represented approximately 84 percent of total government expenditure in 2025, highlighting the continued prevalence of recurrent spending relative to capital expenditure.

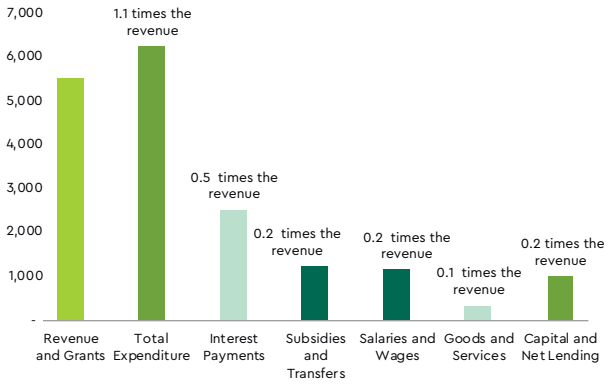
Figure 1.11 | Government Expenditure
(Rs. Billion)



Source : Department of Fiscal Policy

This decline in recurrent expenditure is largely attributed to the contraction in interest payments by Rs. 188.8 billion, or 7.0 percent, to Rs. 2,500.7 billion in 2025 from Rs. 2,689.5 billion in 2024, reflecting lower payments on both domestic and external debt. As a percentage of GDP, interest payments declined by 1.3 percentage points to 7.6 percent in 2025 from 8.9 percent in 2024. In addition, expenditure on goods and services declined by 4.6 percent to Rs. 334.7 billion in 2025 from Rs. 350.9 billion in 2024.

Figure 1.12 | Government Revenue and Expenditure - 2025
(Rs. Billion)



Source : Department of Fiscal Policy

Expenditure on subsidies and transfers stood at Rs. 1,233.1 billion in 2025, remaining approximately unchanged compared to the previous year. However, expenditure on priority social welfare programmes increased in 2025, with spending on Aswesuma increasing by 27.7 percent to Rs. 238.0 billion from Rs. 186.0 billion in 2024, while expenditure on free medicine, including the nutrition programme, rose by 25.4 percent to Rs. 187.1 billion.

Expenditure on salaries and wages increased by 9.2 percent to Rs. 1,163.9 billion in 2025 from Rs. 1,066.0 billion in 2024. As a percentage of GDP, salaries and wages rose by 0.1 percentage points to 3.6 percent in 2025 from 3.5 percent in 2024. This expansion in expenditure on salaries and wages was primarily driven by the upward revision of the salary structure of public servants, as announced in Budget 2025, together with the recruitment of new public servants.

Table 1.1 I Government Fiscal Operations [a]

	(Rs. Billion)		(% of GDP)	
	2024	2025 [b]	2024	2025 [b]
Revenue & Grants	**4,090.8**	**5,485.6**	**13.6**	**16.7**
Revenue	4,030.8	5,449.4	13.4	16.6
Tax Revenue	3,704.6	5,049.2	12.3	15.4
Income Tax	1,026.2	1,139.4	3.4	3.5
Taxes on Goods & Services	2,200.9	3,198.1	7.3	9.8
Taxes on External Trade	477.5	711.7	1.6	2.2
Non-Tax Revenue	326.3	400.2	1.1	1.2
Grants	60.0	36.1	0.2	0.11
Expenditure	**6,130.7**	**6,230.4**	**20.4**	**19.0**
Recurrent Expenditure	5,339.9	5,232.4	17.7	16.0
Salaries & Wages	1,066.0	1,163.9	3.5	3.6
Goods & Services	350.9	334.7	1.2	1.0
Interest	2,689.5	2,500.7	8.9	7.6
Subsidies & Transfers	1,233.5	1,233.1	4.1	3.8
Capital Expenditure and Net Lending	790.8	998.0	2.6	3.0
Public Investments	817.1	1,015.8	2.7	3.1
Other	-26.3	-17.8	-0.1	-0.1
Current Account Balance	**-1,309.1**	**217.0**	**-4.3**	**0.7**
Primary Balance	**649.6**	**1,755.8**	**2.2**	**5.4**
Overall Fiscal Balance (Budget Deficit)	**-2,039.9**	**-744.9**	**-6.8**	**-2.3**
Deficit Financing	2,039.9	744.9	6.8	2.3
Foreign Financing (Net)	333.2	142.4	1.1	0.4
Domestic Financing (Net)	1,706.7	602.5	5.7	1.8

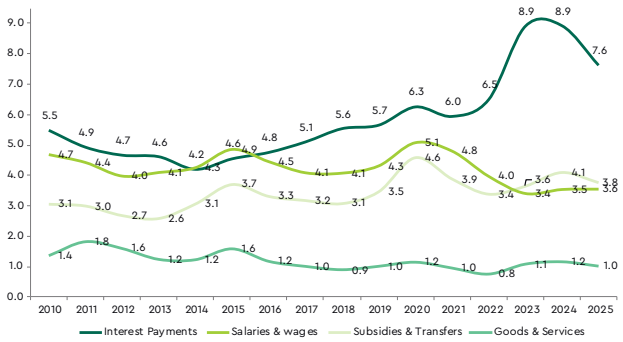
Source: Department of Fiscal Policy

[a] Based on the economic classification of government fiscal operations.

[b] Provisional

Expenditure on capital and net lending increased by 26.2 percent to Rs. 998.0 billion in 2025 from Rs. 790.8 billion in 2024. As a percent of GDP, capital and net lending increased by 0.4 percentage points to 3.0 percent in 2025 from 2.6 percent in 2024. Public investments increased by 24.3 percent to Rs. 1,015.8 billion in 2025 from Rs. 817.1 billion in 2024. As a percent of GDP, public investments increased to 3.1 percent in 2025 from 2.7 percent in 2024. The execution rate of public investment stood at 77.2 percent of the annual budget estimate in 2025.

Figure 1.13 | Major Components of Recurrent Expenditure
(As a percentage of GDP)



Source : Department of Fiscal Policy

The persistent rigidity of recurrent expenditure makes it difficult for the Government to reduce such expenditure in the near term. Notwithstanding this, the total government expenditure-to-GDP ratio of 19–20 percent remains broadly comparable to that of peer countries. In 2025, interest payments absorbed 45.9 percent of total revenue, a significant improvement from nearly 80.5 percent in 2023.

Expenditure on salaries and wages accounted for 21.4 percent of total revenue, while subsidies and transfers represented 22.6 percent of total revenue, reflecting the Government's continued efforts to cushion vulnerable segments of society.

Financing the Budget

The budget deficit of Rs. 744.9 billion was largely financed through domestic sources, which accounted for 80.9 percent of total financing, amounting to Rs. 602.5 billion. Net non-bank domestic financing stood at Rs. 496.1 billion, reflecting the Government's continued reliance on market-based domestic borrowings.

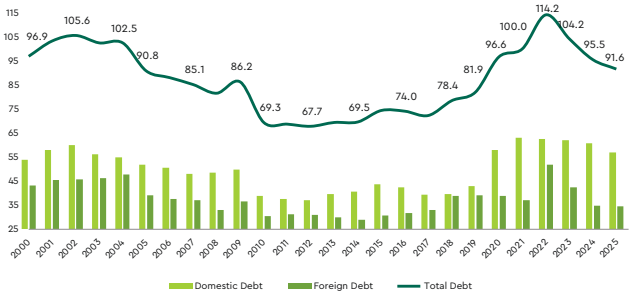
Net external financing accounted for 19.1 percent of total financing, amounting to Rs. 142.4 billion, comprising gross borrowings of Rs. 566.9 billion against repayments of Rs. 424.5 billion in 2025.

Central Government Debt (Gross)

Outstanding central government debt rose by 5.0 percent to Rs. 31,109 billion in 2025 from Rs. 29,624 billion in 2024, according to the Public Debt Management Office. Domestic debt increased by 2.9 percent to Rs. 19,434 billion in 2025 from Rs. 18,892 billion in 2024.

Outstanding foreign debt also increased by 8.8 percent to Rs. 11,675 billion in 2025 from Rs. 10,732 billion in 2024. As a percentage of GDP, central government debt fell to 94.9 percent in 2025 from 98.4 percent in 2024. Outstanding domestic debt declined to 59.3 percent of GDP in 2025 from 62.8 percent in 2024, whereas outstanding foreign debt remained broadly unchanged at 35.6 percent of GDP in both 2024 and 2025.

Figure 1.14 | Outstanding Central Government Debt*
(As a percentage of GDP)



Source : Central Bank of Sri Lanka
**Presented on net basis*

1.4 The Role of Fiscal Policy in Macroeconomic Stabilization

Fiscal policy continued to play a pivotal role in safeguarding macroeconomic stability and sustaining the momentum of economic recovery. Fiscal discipline strengthened, with overperformance reflected across key fiscal aggregates, recording a historically high primary balance of 5.4 percent of GDP, which helped reduce borrowing needs. The primary surplus overperformance has reinforced the credibility of the ongoing fiscal consolidation path. Enhanced expenditure prioritization, continued rationalization of recurrent spending, and sustained progress in tax policy and revenue administration reforms collectively expanded fiscal space.

These outcomes strengthened investor confidence, supported a favorable sovereign risk perception, and contributed to a more stable and resilient macroeconomic environment. The improved fiscal position also created greater headroom for growth-enhancing public investments while maintaining the primary surplus trajectory consistent with medium-term debt sustainability objectives.

In line with the structural reform agenda for SOEs, the 50 major SOEs excluding the CEB recorded a profit of Rs. 483.2 billion in 2025, compared to Rs. 397.5 billion in 2024. The overall profits of all 51 SOEs declined by 17.6 percent to Rs. 444.4 billion in 2025, owing to a net loss of Rs. 38.7 billion incurred by the CEB. Collections from SOEs in the form of levies and dividends increased to Rs. 56.5 billion in 2025 from Rs. 41.1 billion in 2024. This improvement was supported by the consolidation of key reforms introduced in 2025, encompassing the approval by the Cabinet of Ministers for the closure, restructuring, or merger of several non-commercial SOEs, approval for the liquidation of 33 non-functional SOEs, the drafting of the Public Commercial Enterprises Management Bill to manage them on a commercial footing, and the implementation of a State-Owned Banks (SOBs) reform policy to appoint independent directors to the boards, among others. Meanwhile, the Sri Lanka Electricity (Amendment) Act, No. 14 of 2025 was enacted in August 2025, introducing a national energy policy and national tariff policy and establishing six Government-owned companies to unbundle the functions of the CEB. The General Treasury infused Rs. 25.28 billion as equity capital into SriLankan Airlines (SLA) in 2025 to ease liquidity pressures while supporting the debt restructuring process, including the restructuring of USD 175 million in international bonds. Furthermore, comprehensive guidelines for the preparation of annual reports have been introduced to enhance transparency and accountability.

Fiscal policy not only played a critical role in macroeconomic stabilization but also demonstrated remarkable resilience in the aftermath of Cyclone Ditwah, the most devastating natural disaster in the country's history. This event stands as a testament to the strength of the fiscal policy framework established through the reform agenda. The cyclone resulted in widespread destruction across multiple sectors, placing exceptional and unanticipated demands on public resources. However, the fiscal buffers built through disciplined consolidation, improved expenditure management, and expanded fiscal space enabled the Government to deliver a swift and effective response without compromising macroeconomic stability or derailing the fiscal adjustment path. The ability to absorb and respond to a shock of this magnitude, while sustaining the broader reform agenda, underscores the critical importance of sound fiscal policy — not only as a tool for economic management under normal conditions, but also as the first line of defense in safeguarding economic stability and protecting the welfare of citizens in the face of extraordinary adversity.

1.5 Fiscal Strategy in the Medium Term

The Medium-Term Fiscal Framework (MTFF) is anchored on achieving sustainable real GDP growth of 5 percent, maintaining inflation around 5 percent, ensuring a resilient external sector, preserving exchange rate stability, and safeguarding hard-earned macroeconomic stability over the medium term.

The Medium-term Fiscal Outlook is anchored around: –

- Maintaining government revenue above 15 percent of GDP in 2026 and increasing it over the medium term.
- Maintaining primary expenditure under 13 percent of GDP and maintaining public investments over 4 percent of GDP, from 2027 onwards.
- Achieving a primary surplus of at least 2.6 percent of GDP by 2027 and maintaining at least the same level over time.
- Achieving the budget deficit of less than 5 percent of GDP by 2027 and maintaining it over the medium-term.
- Reducing central government debt gradually to bring down the debt to a sustainable level.

The MTFF prepared based on the macroeconomic and fiscal parameters will be published in the Fiscal Strategy Statement accompanying Fiscal Risk Statement to be announced by end June 2026. It demonstrates the government's dedication to long-term fiscal stability through collective efforts to enhance revenue, rationalize expenditure, and implement structural reforms. The MTFF captures the anticipated outcomes of both current and upcoming reforms in areas of tax policy and administration, public financial management, the restructuring of SOEs, and debt management. The MTFF plays a vital role in shaping fiscal policy decisions in alignment with the debt sustainability targets and reform milestones of the Government.

Although the 2025 fiscal aggregates surpassed annual estimates, the primary balance is projected to moderate to 1.0 percent of GDP in 2026, while primary expenditure is expected to increase to 14.3 percent of GDP, exceeding the 13.0 percent ceiling. This deviation is primarily due to the allocation of Rs. 500 billion as a supplementary estimate in response to Cyclone Ditwah. To finance these disaster relief measures, the Government utilize the over-performance of the primary surplus.

The Government is committed to maintaining primary expenditure at 13.0 percent of GDP, with the primary surplus sustained at least 2.6 percent of GDP, reaffirming its medium-term fiscal consolidation trajectory in line with the IMF-EFF programme targets.

Box 1.5 I Fiscal Rules and Governance

Sri Lanka enacted the Public Financial Management Act, No. 44 of 2024 (PFMA) in 2024, repealing the Fiscal Management (Responsibility) Act, No. 03 of 2003 (FMRA), which had established a set of numerical fiscal rules. The PFMA introduced a comprehensive legal framework for fiscal responsibility, transparency, and accountability, anchored by a set of binding fiscal rules. Beyond a mere reporting instrument, the PFMA establishes for transparency, accountability, discipline, effectiveness, efficiency in managing public finances, while clarifying institutional responsibilities at all levels government.

Key fiscal rules requirements under the PFMA:

- Prepare and publish an annual Fiscal Strategy Statement (FSS) on or before 30 June each year, providing Parliament and the public with a formal statement of fiscal strategy prior to budget preparation;
- Maintain a rolling five-year Medium-Term Fiscal Framework (MTFF) that includes a primary balance target, a primary expenditure ceiling, and fiscal aggregate projections; and
- Publish in-year fiscal position reports, a mid-year fiscal review, and a final budget position report to ensure sustained public accountability.

The Four Fiscal Rules outlined in the PFMA

Under the PFMA's fiscal responsibility framework, our interlocking fiscal rules are designed to anchor debt sustainability and prevent the recurrence of fiscal crises.

Amendments to the Personal Income Tax (PIT) structure

Fiscal Rule	Statutory Requirement
Debt Reduction Objective	The Government shall ensure that public debt is reduced to and maintained at a sustainable level, as specified in the Fiscal Strategy Statement and the Medium-Term Fiscal Framework.
Primary Balance Target	An annual primary balance target shall be set for the upcoming financial year and the four succeeding financial years, consistent with the debt reduction objective, expressed as a percentage of forecast nominal GDP.
Primary Expenditure Ceiling	Primary expenditure of the Government shall not exceed 13 percent of the estimated nominal gross domestic product for the relevant financial year.
Government Guarantee Ceiling	The aggregate stock of outstanding government guarantees at the end of each financial year shall not exceed 7.5 percent of the average GDP of the relevant financial year and the preceding two financial years.

Rule 1: Debt Reduction Objective

The debt reduction objective is particularly significant in Sri Lanka's context. Following the 2022 debt default and the successful restructuring of external and domestic debt, restoring debt sustainability is the cornerstone of the country's macroeconomic recovery programme. The PFMA enshrines this debt reduction objective in law, providing it with the statutory force necessary to anchor medium-term fiscal framework.

Box 1.5 I Fiscal Rules and Governance Contd...

Section 10(a) of the PFMA establishes the overarching fiscal objective to ensure that public debt is reduced to and maintained at a sustainable level. This is not a numerical cap but a qualitative anchor, all other fiscal targets and policies must be consistent with this objective. The proposed timeframe for achieving a sustainable debt level shall be included in the annual FSS, ensuring that the debt trajectory is transparently reported and subject to Parliamentary scrutiny.

Rule 2: Primary Balance Target

Section 14 of the PFMA requires that the MTFF include an annual primary balance target, defined as the difference between government revenue and primary expenditure (i.e., expenditure excluding interest payments), expressed as a percentage of forecast nominal GDP and set for the upcoming financial year and each of the four succeeding years. This target is required to be consistent with the debt reduction objective, linking the fiscal flow target to the stock-of-debt anchor.

This rule functions as the central medium-term fiscal anchor. Unlike a simple deficit rule, a primary balance rule focuses on the part of the fiscal position directly under government control (i.e., excluding the inherited cost of existing debt). A sustained primary surplus signals the Government's capacity to service debt over time. The IMF-EFF programme has established an overall primary balance target of +2.3 percent of GDP, and the PFMA institutionalises the practice of setting and publishing such targets in a rolling medium-term framework through the annual FSS.

Rule 3: Primary Expenditure Ceiling of 13% of GDP

Section 15 of the PFMA introduces an annual ceiling on primary expenditure—government spending excluding interest payments on public debt— which shall not exceed 13 percent of estimated nominal GDP in each financial year. This ceiling is operationalised as an absolute rupee figure in the annual budget, derived from the GDP percentage limit.

The rule includes an escape clause that allows temporary deviation from the expenditure ceiling in the event of a natural disaster, epidemic, national security emergency, or a severe economic downturn, subject to Parliamentary notification and the publication of a plan for returning to compliance. This provides necessary flexibility while maintaining the rule's credibility as an anchor under normal conditions.

Rule 4: Government Guarantee Ceiling of 7.5% of GDP

Section 17 of the PFMA caps the aggregate stock of outstanding government guarantees at 7.5 percent of the average GDP of the relevant financial year and the two preceding financial years. This three-year average base reduces the ceiling's sensitivity to year-to-year GDP volatility, providing a more stable benchmark. The limit is subject to review every five years to ensure alignment with the prevailing debt reduction objective.

This rule directly addresses one of the key drivers of Sri Lanka's debt crisis: the accumulation of large contingent liabilities through guarantees extended to loss-making SOEs, particularly CEB and CPC. By placing a statutory cap on the total guarantee stock, the PFMA limits the potential crystallization of off-balance-sheet liabilities into direct government debt.

Box 1.5 I Fiscal Rules and Governance Contd...

Governance beyond the numbers

Well designed and credibly enforced fiscal rules are among the most powerful instruments of fiscal governance. The empirical literature finds a robust positive relationship between the presence of binding fiscal rules and lower public debt, smaller deficits, and stronger fiscal discipline, particularly in countries emerging from episodes of fiscal stress. The four rules introduced under the PFMA address governance not merely by imposing numerical limits, but by fundamentally changing how fiscal decisions are made, disclosed, and held to account. Each rule works through distinct governance channels.

Transparency: Making the Fiscal Position Visible and Verifiable

A fundamental weakness of Sri Lanka's pre-crisis fiscal governance was opacity. Public debt had been systematically understated, SOE liabilities were kept off-balance sheet, and medium-term fiscal plans were treated as non-binding. The PFMA's fiscal rules directly reverse this.

The debt reduction objective requires the Government to publicly disclose, in the annual FSS, a concrete timeframe and trajectory for reducing public debt to a sustainable level. The primary balance target reinforces this by requiring the Government to publish its projected fiscal path, expressed in standardized, comparable GDP terms, for five years forward. Citizens, market participants, and development partners are thereby enabled to assess not just the current fiscal position, but the Government's stated commitment and trajectory.

Most significantly for governance perspective, the government guarantee ceiling brings contingent liabilities—historically the least transparent segment of Sri Lanka's public finances—within a statutory disclosure and reporting framework. The PFMA requires the outstanding stock of guarantees to be calculated, reported, and monitored against a binding limit at the end of every financial year. This converts what was previously an off-balance-sheet fiscal risk into a visible, auditable, and constrained liability. Fiscal transparency of this kind has been shown to be positively correlated with lower sovereign borrowing costs and stronger credit ratings, as it reduces the information asymmetry between the government and its creditors.

Accountability: Creating Enforceable Commitments

Fiscal targets that exist only in budget speeches are easily abandoned. The FMRA's targets were amended multiple times without consequence, undermining any credibility the framework may have had. The PFMA's rules are structurally different; they are embedded in statute, and the Act requires a formal assessment of compliance or non-compliance with each target to be published in the FSS and in the final budget position report (Annual Report). Any deviation from the primary expenditure ceiling must be explained, and a plan for returning to compliance presented to Parliament.

The primary balance target creates an explicitly measurable, annually assessed benchmark. Because the target is defined as a percentage of GDP and published five years ahead, it is both observable and comparable.

Box 1.5 I Fiscal Rules and Governance Contd...

The primary expenditure ceiling is particularly strong in its accountability effect. Because it applies to every supplementary budget and appropriation bill—not just the original annual budget—it prevents the common practice of circumventing fiscal targets through in-year supplementary spending. The Minister of Finance seeking to authorize expenditure above the statutory ceiling must present a formal escape clause declaration to Parliament, creating a clear, visible accountability event. In Sri Lanka's history, unconstrained supplementary budgets were a major vehicle for fiscal slippage; the ceiling directly closes this governance gap.

Constraint on Executive Discretion: Limiting the Deficit Bias

The 13 percent primary expenditure ceiling is the most direct constraint on executive discretion. By placing a hard statutory limit on aggregate primary spending—regardless of what individual ministries demand or what political pressures arise—the rule forces fiscal trade-offs to be made explicitly and transparently within the budget process, rather than resolved by deficit financing. This shifts the fiscal decision making, from executive convenience toward a rules-based framework with explicit Parliamentary oversight.

The government guarantee ceiling addresses an indirect but equally important dimension of executive discretion. The use of guarantees as a quasi-fiscal instrument to extend politically motivated support to SOEs while keeping the expenditure off the budget. The 7.5 percent cap transforms what was previously an unconstrained executive privilege into a legislatively bounded decision. When the guarantee stock approaches the ceiling, the Government must make an explicit, public choice—which guarantee to extend, which to withdraw, and how to manage the associated fiscal risk.

Intergenerational Equity: Distributing Fiscal Burdens Fairly

The PFMA's overarching fiscal responsibility objective, as outlined under Section 9, explicitly includes intergenerational equity as a governing principle—the obligation of the current generation of decision-makers not to impose unsustainable fiscal burdens on future citizens. This principle is operationalised through the fiscal rules.

The debt reduction objective, by requiring a credible and publicly disclosed debt reduction trajectory, prevents governments from borrowing today to finance current consumption at the expense of future taxpayers who inherit the debt service burden. The primary balance target, by requiring a surplus sufficient to reduce the debt to GDP ratio, ensures that each year's budget makes a positive contribution to restoring intergenerational fiscal balance. Together, these two rules embed a long-horizon discipline.

Fiscal Credibility: Anchoring Market and Investor Confidence

Fiscal governance operates not only through domestic accountability mechanisms but also through its effect on the expectations of creditors, investors, and international partners. In Sri Lanka's post-restructuring context, restoring market confidence is both economically imperative and essential for re-establishing governance credibility.

Box 1.5 I Fiscal Rules and Governance Contd...

Numerical fiscal rules with statutory force provide a stronger credibility signal precisely because they are harder to revise silently. Any amendment to the PFMA's fiscal targets requires Parliamentary approval, which is observable and politically costly. This is further reinforced by publishing a fiscal path five years ahead and providing creditors and investors with a basis for assessing the sustainability of the Government's fiscal stance.

Conclusion

The four fiscal rules introduced under the PFMA represent a meaningful advance in Sri Lanka's fiscal governance architecture. Rather than merely setting numerical limits, they provide Parliament and the public with a structured basis for scrutinizing how fiscal decisions are made, disclosed, and held account. The debt reduction objective and primary balance target impose transparency obligations and long-horizon discipline on a political process that previously privileged short-term spending. The primary expenditure ceiling constrains executive discretion and closes the supplementary budget loophole that historically accommodated fiscal slippage. The government guarantee ceiling brings the opaque dimension of public liability— SOE contingent risk—within a statutory accountability framework for the first time.

1.6 Mitigation of Macro-fiscal Risks and Way Forward

The Middle East conflict presents a high likelihood of generating both downside and upside macro-fiscal risks adversely affecting economic growth and the external sector while elevating inflationary pressures. To mitigate these impacts, the Government announced a targeted and time-bound fiscal relief programme, as a temporary measure to support individuals and energy suppliers, thereby reducing potential fiscal risks. In the same vein, maintaining cost-reflective energy prices remains a cornerstone policy to minimize the future burden on the public. The recent monetary policy tightening— achieved by raising OPR by 100 basis points to 8.75 percent—is expected to support domestic price stability by curbing the escalation of energy prices and easing pressure on the external sector, containing import demand and anchoring inflation expectations.

It is important to steer the reserve building exercise, given the usable reserve—accounting for People's Bank of China (PBOC) Swap conditions—stand at USD 5.4 billion as at end-April 2026, which is sufficient to cover 2.4 months of imports.

Despite the impressive performance of fiscal sector, marked by record primary and budget surpluses in the first four months of 2026, debt to GDP ratio remains under pressure owing to ongoing external vulnerabilities across the globe. In this context, it is important to further strengthen the fiscal consolidation efforts to withstand recurring domestic and external vulnerabilities.

In addition, the formulation of a Medium-Term Revenue Strategy (MTRS) and budgetary framework aligned with Government's policy priorities would help ensure fiscal sustainability. Furthermore, to address the persistent under-execution of capital expenditure, a medium-term public investment programme should be implemented decisively, with bottlenecks across the project cycle— from inception through to implementation— systematically resolved in line with the Government's broader policy objectives, thereby spurring economic growth over the medium to long-term.

Meanwhile, continued growth-enhancing structural reforms—encompassing trade liberalization, export diversification, foreign direct investment attraction, digitalisation drive, and labour market and energy sector reforms—alongside efforts to address recurring climate-related vulnerabilities and protect vulnerable segments of society, are expected to preserve hard-won gains and support inclusive growth for sustained macroeconomic stability. The key to the successful and smooth implementation of the reform agenda lies in building the capacity of staff and institutions while continually improving underlying processes.

02

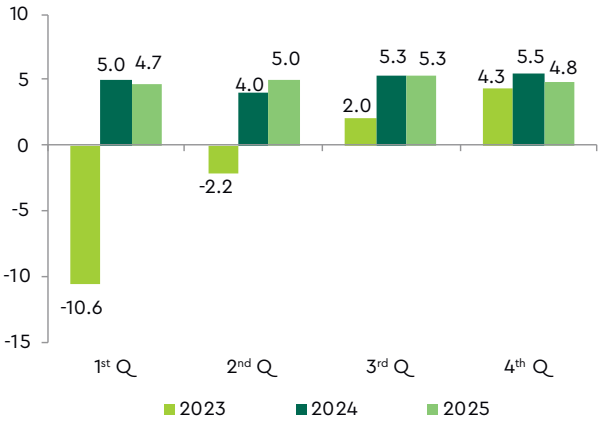
Economic Developments in 2025

2.1 Overview

In 2025, Sri Lanka registered robust economic growth of 5.0 percent for the second consecutive year, reflecting resilience to both domestic and external headwinds. This was underpinned by hard-won gains from structural economic reforms, including the removal of restrictions on motor vehicles. This growth was achieved amidst global uncertainties emanating from US tariffs and geopolitical tensions, together with the severe weather conditions that prevailed in the latter part of the year. More importantly, this performance is all the more remarkable given the catastrophic impact of Cyclone "Ditwah" in late November, which inflicted an estimated USD 4.1 billion in direct losses. Inflation returned to positive territory, after remaining negative for eleven consecutive months, while core inflation stayed positive throughout 2025. The unemployment rate dropped to 3.9 percent in 2025. The Central Bank adopted a more accommodative monetary policy stance, which helped reduce interest rates, thereby increasing private sector credit growth in 2025. Benefiting from increased remittances and the record surplus in the services account, among others, a surplus in the current account was recorded in 2025. Gross official reserves increased to USD 6.8 billion at end-December 2025, supported by increased purchases of foreign exchange. The financial sector remained stable. The Government remains committed to implementing growth-enhancing reforms to sustain economic momentum.

Sri Lanka's economic growth is broad-based, underpinned by expansion across all three major sectors. The industrial sector recorded significant growth of 7.8 percent in 2025, with substantial contributions from the manufacturing, construction and mining and quarrying sub-sectors. Making the highest contribution of 54.6 percent to GDP, the services sector expanded by 3.3 percent in 2025 compared to 2.4 percent growth in 2024, mainly due to the expansion in financial service activities, transportation activities, accommodation, food and beverage service activities and IT programming consultancy and related activities. The agriculture sector demonstrated modest growth of 1.4 percent, driven by the expansion of animal production, growing of oleaginous fruits and growing of rice. Domestic demand grew by 10.2 percent in current prices in 2025, driven by increases in consumption and investment expenditure of 5.9 percent and 22.4 percent, respectively. National savings grew by 23.2 percent in current prices in 2025, mainly attributable to an 18.1 percent growth in domestic savings.

Figure 2.1 | Quarterly Growth Rates of GDP
(Percent)



Source: Department of Census and Statistics

Table 2.1 | Sectoral GDP Growth Rates in 2025 (%)

Sector	Q1	Q2	Q3	Q4	Annual
GDP (Nominal)	**3.7**	**10.0**	**11.9**	**10.0**	**8.8**
Agriculture	5.1	16.0	6.0	7.5	8.7
Industry	4.4	7.6	11.4	11.5	8.6
Services	1.3	4.6	5.5	2.6	3.4
GDP (Real)	**4.7**	**5.0**	**5.3**	**4.8**	**5.0**
Agriculture	-1.3	2.5	2.2	2.1	1.4
Industry	9.8	5.7	7.9	7.3	7.8
Services	2.7	4.0	3.6	3.1	3.3

Source: Department of Census and Statistics

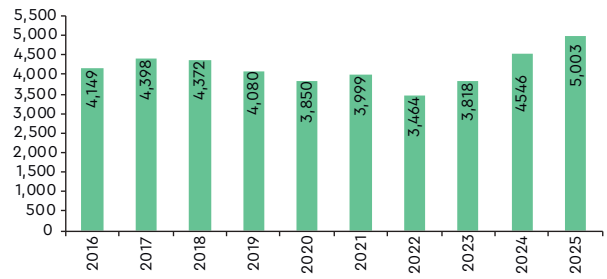
The external sector sustained its growth momentum, resulting in a notable surplus in the external current account for the third consecutive year. However, the trade deficit widened amid the recovery in merchandise imports. The sharp increase in tourism earnings and the steady rise in workers' remittances contributed significantly to accumulating foreign exchange reserves, easing external financing pressures, and strengthening overall external sector stability. The current account balance as a percentage of GDP recorded a surplus of 1.6 percent in 2025 compared to a surplus of 1.2 percent in 2024. The merchandise trade deficit widened to 7.3 percent of GDP in 2025 compared to 6.1 percent in 2024, due to a larger expansion in import expenditure relative to export earnings. Tourism earnings remained at USD 3.2 billion in 2025, while workers' remittances rose significantly by 22.8 percent to USD 8.1 billion in 2025.

Gross Official Reserves (GOR) increased to USD 6.8 billion at end-2025 from USD 6.1 billion at end-2024, mainly due to the receipts from multilateral institutions and net foreign exchange (forex) purchases by the Central Bank. The exchange rate depreciated by 5.6 percent at end-2025, compared to an annual appreciation of 10.7 percent at the end of 2024, mainly due to the widening trade deficit and external debt servicing obligations.

The Central Bank adopted a more accommodative monetary policy stance to anchor inflation around the 5 percent medium-term target and facilitate credit flows to productive sectors in support of economic recovery. The Overnight Policy Rate (OPR) was reduced by 25 basis points to 7.75 percent at end May-2025 and maintained at that level throughout the year. Meanwhile, the unemployment rate dropped to 3.9 percent in 2025 from 4.4 percent in 2024, reflecting increased economic activity.

Year-on-year headline inflation, as measured by the Colombo Consumer Price Index (CCPI, 2021=100), increased to 5.5 percent by end-May 2026 from -0.7 percent a year earlier, while that measured by the National Consumer Price Index (NCPI, 2021=100) rose to 4.7 percent by end-April from -0.8 percent a year earlier. Inflation is gradually converging toward the Central Bank's medium term target, supported by its flexible inflation targeting framework.

Figure 2.2 | Per Capita GDP
(USD)



Source: Department of Census and Statistics

The stock market demonstrated robust growth in 2025, driven by rising investor confidence amid an ongoing series of economic and anti-corruption measures. The All-Share Price Index (ASPI) gained 41.9 percent to 22,624.3 points at end-2025 from 15,944.6 points at end-2024, while the Standard & Poor's Sri Lanka 20 (S&P SL20) index rose 26.6 percent to 6,157.4 points from 4,862.1 points over the same period. Market capitalisation increased by 41.7 percent to Rs. 8,068.6 billion at end-2025, from Rs. 5,695.6 billion at end-2024.

2.2 Sri Lankan Economy

The Sri Lankan economy grew at a faster pace in both 2025 and 2024, compared to a contraction of 2.0 percent in 2023. The Agriculture sector recorded moderate growth of 1.4 percent in 2025, up from 0.6 percent in 2024, supported by broad-based expansions across sub-sectors. The Industry sector expanded by 7.8 percent in 2025, sustaining the strong momentum observed in 2024. Meanwhile, the Services sector grew by 3.3 percent in 2025, compared to 2.4 percent in the previous year.

GDP at current market prices increased to Rs. 32,750.8 billion in 2025 from Rs. 30,095.8 billion in 2024, reflecting a nominal growth of 8.8 percent. In USD terms, GDP rose to USD 108.8 billion in 2025 from USD 99.6 billion in 2024. GDP per capita increased to USD 5,003 in 2025 from USD 4,546 in 2024.

In 2025, investment expenditure grew by 22.4 percent in current market prices, supported by a strong rebound in gross fixed capital formation, driven mainly by increased spending on construction and transport equipment. Consumption expenditure, comprising both private and government consumption, grew moderately by 5.9 percent in 2025, compared to 7.0 percent in 2024, reflecting a 6.0 percent expansion in private consumption and a 5.6 percent increase in government consumption, and remained the principal contributor to aggregate demand.

Meanwhile, net external demand declined significantly by 61.7 percent in current market prices, compared to a decline of 32.6 percent in 2024, as growth in import expenditure outpaced that of exports, exerting downward pressure on overall demand.

National savings expanded by 23.2 percent in current prices in 2025, compared to 15.9 percent growth in 2024, driven mainly by an 18.1 percent increase in domestic savings alongside improved net income inflows from the rest of the world. Reflecting this improvement, the national

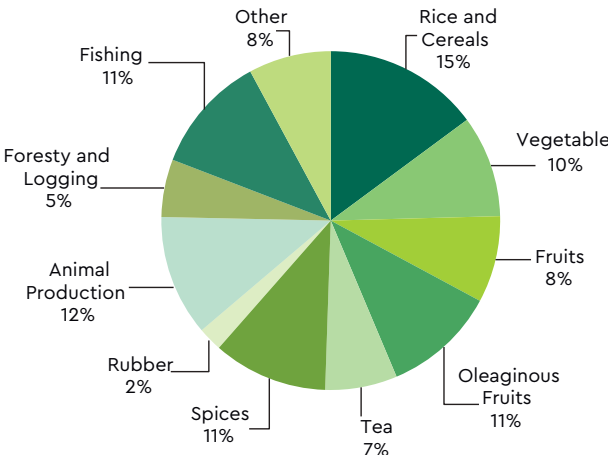
savings-to-GDP ratio increased to 31.2 percent in 2025 from 27.6 percent in 2024. The national savings–investment gap remained in surplus, widening to Rs. 517.0 billion from Rs. 373.1 billion in the previous year, indicating a continued easing of external imbalances.

Agriculture Sector

The Agriculture sector expanded in 2025, driven mainly by growth in animal production, oleaginous fruits cultivation, and growing of rice. Additionally, the forest and logging, agricultural supported activities, growing of fruits, tea, sugarcane, tobacco and other non-perennial crops, spices, aromatic drug and, pharmaceutical crops, cereals (except rice), plant propagation, sub-sectors contributed positively to this performance. However, a contraction was witnessed in several sub-sectors, including freshwater fishing and fresh water aquaculture, growing of vegetables, other perennial crops, rubber, other beverage crops, and marine fishing and marine aquaculture.

At current prices, the Agriculture sector accounted for 8.4 percent of GDP in 2025. The sector continues to play a critical role in the economy, particularly in terms of employment and rural livelihoods. This underscores the importance of implementing targeted policy measures to enhance productivity, and address persistent structural challenges, including climate variability, inefficient resource utilization, post-harvest losses, limited access to quality inputs, and market constraints, to ensure sustainable growth in the sector.

Figure 2.3 | Agriculture Sector Composition – 2025



Source: Department of Census and Statistics

Paddy

In value-added terms, the rice sub-sector recorded a moderate growth of 5.3 percent in 2025, up from 4.0 percent in 2024. Both the gross extent of sown and net extent harvested increased in 2025: the former rose by 4.2 percent to 1,341,885 hectares in 2025 from 1,287,989 hectares in 2024, while the latter increased by 4.8 percent to 1,186,455 hectares in 2025 from 1,131,859 hectares in 2024. Total paddy production increased by 7.6 percent to 5,053,698 metric tons in 2025, comprising 2,745,298 metric tons from the 2024/25 Maha season and 2,308,400 metric tons from the Yala season, compared to 4,698,454 metric tons in 2024. The yield per hectare increased by 2.6 percent to 4,259.5 kilograms per hectare in 2025 compared to 4,151.1 kilograms per hectare in 2024, attributable primarily to the high-yielding paddy varieties and the adoption of modern farming techniques. In line with higher production, rice prices declined in 2025 relative to 2024. The average retail price of Samba rice at the Pettah market fell by 0.9 percent to Rs. 253.81 per kilogram in December 2025 from Rs. 256.00 per kilogram December 2024. The average retail price of Nadu rice declined by 10.2 percent to Rs. 230.00 per kilogram in December 2025 from Rs. 256.00 per kilogram in December 2024. Similarly, the average retail price of Kekulu (Red) rice decreased by 12.7 percent to Rs. 216.90 per kilogram in December 2025 from Rs. 248.47 per kilogram in December 2024.

The total rice imports increased sharply by 40.7 percent to 184,750 metric tons in 2025 from 131,338 metric tons in 2024. The government continued the fertilizer subsidy scheme with a spending of Rs. 37 billion in 2025. The Government Paddy Purchasing Program also continued in 2025, incurring approximately Rs. 19,633 million to purchase 162,257 MT paddy through the Paddy Marketing Board (PMB).

Table 2.2 | Gross Domestic Product (GDP) at Constant (2015) Market Prices, 2020 to 2025

Rs. Million

	Economic Activity	2020	2021	2022[a]	2023[a]	2024[a]	2025[b]	2024/2023 Change (%)	2025/2024 Change (%)
Agriculture, Forestry and Fishing		**941,046**	**950,548**	**911,252**	**911,839**	**916,971**	**929,668**	**0.6**	**1.4**
1	Growing of Cereals (except rice)	21,342	21,949	16,507	15,971	16,635	16,676	4.2	0.2
2	Growing of Rice	121,663	107,359	94,730	110,946	115,438	121,533	4.0	5.3
3	Growing of Vegetables	111,088	109,147	103,161	97,959	97,173	90,317	-0.8	-7.1
4	Growing of Sugar cane, Tobacco and other non-perennial crops	4,021	3,729	3,803	3,742	3,697	3,850	-1.2	4.2
5	Growing of Fruits	81,823	72,949	73,310	73,995	75,472	76,927	2.0	1.9
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	92,197	102,490	111,196	104,758	92,716	100,334	-11.5	8.2
7	Growing of Tea (Green Leaves)	67,971	74,604	62,867	61,912	63,080	63,966	1.9	1.4
8	Growing of other beverage crops (Coffee, Cocoa, etc)	1,613	1,352	1,229	1,141	1,169	1,051	2.5	-10.1
9	Growing of spices, aromatic, drug and pharmaceutical crops	93,776	97,767	101,653	99,982	101,492	101,792	1.5	0.3
10	Growing of Rubber	24,081	26,464	23,871	22,024	22,910	21,541	4.0	-6.0
11	Growing of other perennial crops	29,781	26,963	27,533	28,086	25,005	23,729	-11.0	-5.1
12	Animal Production	86,907	94,039	83,307	83,645	97,155	107,309	16.2	10.5
13	Plant propagation	622	813	965	728	596	763	-18.1	28.1
14	Agricultural supporting activities	26,102	29,019	33,062	32,888	28,966	30,552	-11.9	5.5
15	Forestry & Logging	42,587	44,348	50,931	47,221	46,227	51,191	-2.1	10.7
16	Marine Fishing and Marine Aquaculture	111,307	112,814	95,447	100,099	104,949	104,850	4.8	-0.1
17	Fresh water and fishing Fresh water Aquaculture	24,166	24,742	27,682	26,739	24,290	13,288	-9.2	-45.3
Industries		**3,724,566**	**3,937,895**	**3,308,573**	**3,002,981**	**3,337,231**	**3,597,326**	**11.1**	**7.8**
18	Mining and quarrying	284,079	287,969	198,613	154,313	184,430	215,568	19.5	16.9
19	Manufacture of food, beverages and Tobacco products	980,863	1,014,150	869,371	899,739	954,559	1,004,413	6.1	5.2
20	Manufacture of textiles, wearing apparel and leather related products	416,312	473,911	511,860	450,438	500,445	540,558	11.1	8.0
21	Manufacture of wood and of products of wood and cork, except furniture	32,831	35,579	29,758	23,807	24,975	26,232	4.9	5.0
22	Manufacture of paper products, printing and reproduction of media products	51,896	56,811	52,069	47,259	48,734	53,846	3.1	10.5
23	Manufacture of coke and refined petroleum products	22,108	15,492	6,474	21,895	19,690	23,026	-10.1	16.9
24	Manufacture of chemical products and basic pharmaceutical products	92,157	95,793	82,349	82,949	90,995	93,549	9.7	2.8
25	Manufacture of rubber and plastic products	81,182	97,436	67,505	56,157	60,973	62,587	8.6	2.6
26	Manufacture of other non – metallic mineral products	102,685	119,973	85,182	84,670	86,816	100,890	2.5	16.2
27	Manufacture of basic metals and fabricated metal products	77,859	81,174	58,780	60,303	70,963	82,144	17.7	15.8
28	Manufacture of machinery and equipments i.e.	65,187	73,090	59,181	50,229	53,372	54,145	6.3	1.4
29	Manufacture of furniture	81,651	82,694	60,837	56,089	61,740	63,528	10.1	2.9
30	Other manufacturing and repair and installation of machinery and equipment	87,586	101,048	79,088	66,747	72,427	68,239	8.5	-5.8
31	Electricity, gas, steam and air conditioning supply	180,176	188,924	178,059	174,017	184,480	201,472	6.0	9.2
32	Water collection, treatment and supply	15,908	13,099	14,059	11,590	11,900	12,584	2.7	5.7
33	Sewerage, Waste, treatment, and disposal activities	28,960	27,992	28,070	27,955	28,319	30,612	1.3	8.1
34	Construction	1,123,127	1,172,761	927,319	734,823	882,411	963,935	20.1	9.2

Table 2.2 | Gross Domestic Product (GDP) at Constant (2015) Market Prices, 2020 to 2025 Contd...

Rs. Million

Economic Activity	2020	2021	2022	2023[a]	2024[a]	2025[b]	2024/2023 Change (%)	2025/2024 Change (%)
Services	**7,166,506**	**7,410,705**	**7,217,485**	**7,256,690**	**7,431,130**	**7,676,443**	**2.4**	**3.3**
35 Wholesale and Retail Trade	1,650,889	1,675,083	1,675,528	1,677,941	1,697,914	1,722,223	1.2	1.4
36 Transportation of goods and passengers including warehousing	1,313,312	1,325,233	1,364,677	1,428,381	1,461,417	1,505,214	2.3	3.0
37 Postal and courier activities	17,620	18,886	19,780	20,349	21,416	23,320	5.2	8.9
38 Accommodation, Food and beverage service activities	128,556	130,743	166,030	209,106	276,975	311,444	32.5	12.4
39 Programming and broadcasting activities and audio video productions	43,841	42,161	37,350	36,551	37,760	38,502	3.3	2.0
40 Telecommunication	118,845	131,952	140,524	137,078	142,540	146,976	4.0	3.1
41 IT programming consultancy and related activities	194,893	243,971	238,455	232,331	246,185	277,594	6.0	12.8
42 Financial Service Activities Auxiliary financial service	557,357	596,106	529,744	475,201	491,206	543,449	3.4	10.6
43 Insurance, reinsurance and pension funding	117,595	148,658	78,187	103,519	88,934	101,901	-14.1	14.6
44 Real estate activities, including ownership of dwelling	604,259	630,570	554,456	521,463	543,273	562,911	4.2	3.6
45 Professional services	287,781	301,890	248,467	254,360	263,382	269,829	3.5	2.4
46 Public Administration and defence, compulsory social security	616,176	621,834	629,031	618,542	600,314	592,529	-2.9	-1.3
47 Education	284,751	290,475	302,435	307,712	314,759	318,736	2.3	1.3
48 Human Health Activities, Residential care and social work activities	246,735	260,482	237,677	236,087	234,361	241,337	-0.7	3.0
49 Other personal service activities	983,900	992,662	995,147	998,069	1,010,693	1,020,480	1.3	1.0
Gross Value Added (GVA), at basic prices	**11,832,118**	**12,299,149**	**11,437,311**	**11,171,510**	**11,685,332**	**12,203,438**	**4.6**	**4.4**
(+) Taxes less Subsidies on Products	**763,432**	**826,356**	**723,576**	**742,640**	**823,623**	**925,140**	**10.9**	**12.3**
Gross Domestic Products (GDP), at Constant Market Price	**12,595,550**	**13,125,505**	**12,160,886**	**11,914,150**	**12,508,954**	**13,128,577**	**5.0**	**5.0**

Source: Department of Census and Statistics

[a] *Revised*

[b] *Provisional*

Table 2.3 | Sectoral Distribution of GDP Growth (%) – Constant (2015) Prices

	Economic Activity	2020	2021	2022	2023[a]	2024[a]	2025[b]
Agriculture, Forestry and Fishing		**-0.9**	**1.0**	**-4.1**	**0.1**	**0.6**	**1.4**
1	Growing of Cereals (except rice)	59.8	2.8	-24.8	-3.2	4.2	0.2
2	Growing of Rice	7.7	-11.8	-11.8	17.1	4.0	5.3
3	Growing of Vegetables	8.9	-1.7	-5.5	-5.0	-0.8	-7.1
4	Growing of Sugar Cane, Tobacco and Other non-perennial Crops	22.8	-7.3	2.0	-1.6	-1.2	4.2
5	Growing of Fruits	6.0	-10.8	0.5	0.9	2.0	1.9
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil Palm)	-10.3	11.2	8.5	-5.8	-11.5	8.2
7	Growing of Tea (Green Leaves)	-6.5	9.8	-15.7	-1.5	1.9	1.4
8	Growing of Other Beverage Crops (Coffee, Cocoa, etc)	23.9	-16.2	-9.1	-7.1	2.5	-10.1
9	Growing of Spices, Aromatic, Drug and Pharmaceutical Crops	3.2	4.3	4.0	-1.6	1.5	0.3
10	Growing of Rubber	0.2	9.9	-9.8	-7.7	4.0	-6.0
11	Growing of Other Perennial Crops	3.6	-9.5	2.1	2.0	-11.0	-5.1
12	Animal Production	-3.7	8.2	-11.4	0.4	16.2	10.5
13	Plant Propagation	-19.5	30.8	18.7	-24.6	-18.1	28.1
14	Agricultural Supporting Activities	13.6	11.2	13.9	-0.5	-11.9	5.5
15	Forestry and Logging	-1.3	4.1	14.8	-7.3	-2.1	10.7
16	Marine Fishing and Marine Aquaculture	-21.4	1.4	-15.4	4.9	4.8	-0.1
17	Fresh Water Fishing and Fresh Water Aquaculture	12.7	2.4	11.9	-3.4	-9.2	-45.3
Industries		**-5.3**	**5.7**	**-16.0**	**-9.2**	**11.1**	**7.8**
18	Mining and Quarrying	-10.9	1.4	-31.0	-22.3	19.5	16.9
19	Manufacture of Food, Beverages and Tobacco Products	5.5	3.4	-14.3	3.5	6.1	5.2
20	Manufacture of Textiles, Wearing Apparel and Leather related Products	-11.2	13.8	8.0	-12.0	11.1	8.0
21	Manufacture of Wood and Products of Wood and Cork, except Furniture	-9.6	8.4	-16.4	-20.0	4.9	5.0
22	Manufacture of Paper Products, Printing and Reproduction of Media Products	-4.0	9.5	-8.3	-9.2	3.1	10.5
23	Manufacture of Coke and Refined Petroleum Products	-10.2	-29.9	-58.2	238.2	-10.1	16.9
24	Manufacture of Chemical Products and Basic Pharmaceutical Products	2.2	3.9	-14.0	0.7	9.7	2.8
25	Manufacture of Rubber and Plastic Products	-17.5	20.0	-30.7	-16.8	8.6	2.6
26	Manufacture of Other Non-metallic Mineral Products	-4.1	16.8	-29.0	-0.6	2.5	16.2
27	Manufacture of Basic Metals and Fabricated Metal Products	-3.1	4.3	-27.6	2.6	17.7	15.8
28	Manufacture of Machinery and Equipment	-1.4	12.1	-19.0	-15.1	6.3	1.4
29	Manufacture of Furniture	-14.5	1.3	-26.4	-7.8	10.1	2.9
30	Other Manufacturing and Repair and Installation of Machinery and Equipment	-9.2	15.4	-21.7	-15.6	8.5	-5.8
31	Electricity, Gas, Steam and Air Conditioning Supply	-2.1	4.9	-5.8	-2.3	6.0	9.2
32	Water Collection, Treatment and Supply	8.2	-17.7	7.3	-17.6	2.7	5.7
33	Sewerage, Waste, Treatment and Disposal Activities	-1.0	-3.3	0.3	-0.4	1.3	8.1
34	Construction	-9.4	4.4	-20.9	-20.8	20.1	9.2
Services		**-1.9**	**3.4**	**-2.6**	**0.5**	**2.4**	**3.3**
35	Wholesale and Retail Trade	0.9	1.5	0.0	0.1	1.2	1.4
36	Transport of Goods and Passengers including Warehousing	-6.1	0.9	3.0	4.7	2.3	3.0
37	Postal Courier Activities	3.0	7.2	4.7	2.9	5.2	8.9
38	Accommodation, Food and Beverage Service Activities	-40.8	1.7	27.0	25.9	32.5	12.4
39	Programming and Broadcasting Activities and Audio Video Productions	2.5	-3.8	-11.4	-2.1	3.3	2.0
40	Telecommunication	15.0	11.0	6.5	-2.5	4.0	3.1
41	IT Programming Consultancy and Related Activities	11.0	25.2	-2.3	-2.6	6.0	12.8
42	Financial Service Activities and Auxiliary Financial Services	9.2	7.0	-11.1	-10.3	3.4	10.6
43	Insurance, Reinsurance and Pension Funding	-2.5	26.4	-47.4	32.4	-14.1	14.6
44	Real Estate Activities, Including Ownership of Dwelling	-1.0	4.4	-12.1	-6.0	4.2	3.6
45	Professional Services	-3.3	4.9	-17.7	2.4	3.5	2.4
46	Public Administration and Defence; Compulsory Social Security	1.7	0.9	1.2	-1.7	-2.9	-1.3
47	Education	0.4	2.0	4.1	1.7	2.3	1.3
48	Human Health Activities, Residential Care and Social Work Activities	4.9	5.6	-8.8	-0.7	-0.7	3.0
49	Other Personal Service Activities	-6.6	0.9	0.3	0.3	1.3	1.0
	Gross Value Added (GVA), at Basic Prices	**-2.9**	**3.9**	**-7.0**	**-2.3**	**4.6**	**4.4**
	(+) Taxes on Products	**-23.4**	**8.1**	**-11.6**	**2.7**	**10.0**	**11.9**
	(-) Subsidies on Products	**10.4**	**6.0**	**2.0**	**3.0**	**-2.6**	**4.4**
	Gross Domestic Products (GDP), at Constant Market Price	**-4.6**	**4.2**	**-7.3**	**-2.0**	**5.0**	**5.0**

Source: Department of Census and Statistics

[a] *Revised*

[b] *Provisional*

Tea

In value-added terms, the tea sub-sector recorded a marginal growth of 1.4 percent in 2025, compared to 1.9 percent in 2024. Total tea production edged up by 0.5 percent to 264.1 million kilograms in 2025 from 262.7 million kilograms in 2024.

Tea prices at the Colombo Tea Auction (CTA) declined by 4.7 percent to Rs. 1,186.50 per kilogram in 2025 from Rs. 1,245.10 per kilogram in 2024. The average export price (FOB) of tea decreased marginally by 0.2 percent to Rs. 1,760.70 per kilogram in 2025 from Rs. 1,763.61 per kilogram in 2024 while, in USD terms, it edged up by 0.2 percent to USD 5.85 per kilogram in 2025 from USD 5.84 per kilogram in 2024.

Rubber

In value-added terms, the rubber sub-sector contracted by 6.0 percent in 2025, compared to a positive growth of 4.0 percent in 2024, mainly due to a reduction in rubber production. Total rubber production decreased by 3.9 percent to 66.5 million kilograms in 2025 from 69.2 million kilograms in 2024.

Prices of RSS1 rubber at the Colombo Rubber Auction (CRA) decreased by 0.3 percent to Rs. 712.14 per kilogram in 2025 from Rs. 714.03 per kilogram in 2024. Despite these negative trends, the total export value of rubber and rubber products increased significantly by 19.8 percent to Rs. 9,381 million in 2025, compared to a contraction of 15.7 percent to Rs. 7,832 million in 2024, while the total export volume grew by 4.3 percent to 9.0 million kilograms, compared to a contraction of 31.9 percent to 8.6 million kilograms in 2024. The average FOB price of rubber rose by 14.8 percent to Rs. 1,041.58 per kilogram in 2025 from Rs. 907.28 per kilogram in 2024, while in USD terms it increased by 15.3 percent to USD 3.47 per kilogram from USD 3.01 per kilogram over the same period. The performance of the rubber sub-sector in 2025 was constrained by weather-related disruptions; therefore, improving plantation management practices and enhancing productivity remain important for the sustainable development of the industry.

Coconut

Coconut subsector expanded by 8.2 percent in 2025 compared to a contraction of 11.5 percent in 2024. Coconut production increased by 9.0 percent to 3,042 million nuts from 2,792 million nuts in 2024, driven primarily by favorable weather conditions that prevailed throughout the year. Desiccated coconut production increased by 3.6 percent to 308.1 million nuts, from 297.3 million nuts in 2024. Production of coconut cream, coconut milk powder, and coconut milk increased significantly, recording a growth of 18.7 percent in 2025. In contrast, coconut oil production declined by 8.1 percent to 49.5 million nuts in 2025 from 53.9 million nuts in the previous year.

In terms of exports, the total export volume of copra increased significantly by 128.5 percent to 0.786 million kilograms, while export volume of coconut oil increased by 13.0 percent to 26.7 million kilograms in 2025 compared to 2024. The total export volume of desiccated coconut decreased by 9.0 percent to 52.1 million kilograms in 2025. The average FOB price of coconut increased significantly by 57.1 percent to Rs. 125.86 per nut in 2025 from Rs. 80.13 per nut in 2024.

Minor Export Crops

The export performance of minor export crops in 2025 exhibited mixed trends. Cinnamon exports, the largest contributor within this category, increased marginally by 0.8 percent to 19,965 metric tons from 19,809 metric tons in 2024. In contrast, pepper exports declined significantly by 49.2 percent to 13,404 metric tons from 26,388 metric tons in 2024, weighing on overall export performance. Cocoa exports also decreased by 23.2 percent to 76 metric tons from 99 metric tons in 2024.

Meanwhile, several crops recorded notable improvements. Cardamom exports increased substantially to 23 metric tons from 9 metric tons in 2024, while clove exports rose sharply by 161.5 percent to 2,798 metric tons, reflecting favourable market conditions. Exports of nutmeg and mace increased moderately by 2.4 percent to 3,042 metric tons from 2,971 metric tons in the previous year.

Overall, the performance of minor export crops in 2025 reflects divergent commodity-specific trends, with strong growth in certain high-value spices.

Table 2.4 | Minor Export Agricultural Crops: Production and Exports (MT)

Crop	Production						Export *					
	2020	2021	2022	2023	2024[a]	2025[b]	2020	2021	2022	2023	2024[a]	2025[b]
Cinnamon	20,866	22,872	24,094	24,475	24,900	26,000	19,090	19,195	18,298	19,882	19,809	19,965
Pepper	23,970	25,047	24,029	24,618	39,617	27,606	9,542	18,575	11,416	14,668	26,388	13,404
Cocoa	612	658	709	716	814	852	255	159	67	84	99	76
Cardamom	86	104	140	141	80	102	1	3	3	8	9	23
Clove	3,512	3,837	4,088	4,179	2,390	2,754	2,597	6,487	2,325	5,852	1,070	2,798
Nutmeg & Mace	2,751	2,818	2,878	2,902	2,947	3,787	2,451	2,651	2,284	2,970	2,971	3,042

Sources : Central Bank of Sri Lanka and Sri Lanka Customs
[a] Revised
[b] Provisional
** Including Re-export*

Other Crops

In value-added terms, the fruit sub-sector recorded a growth of 1.9 percent in 2025, compared to 2.0 percent growth in 2024, while the cereals (excluding rice) sub-sector recorded a marginal growth of 0.2 percent, compared to 4.2 percent in 2024. The vegetables sub-sector contracted by 7.1 percent in 2025, compared to a marginal decline of 0.8 percent in 2024. In export terms, the total export volume of cereals increased by 38.0 percent to 25,794 metric tons in 2025 from 18,696 metric tons in 2024, while the total export volume of vegetables grew by 4.2 percent to 18,017 metric tons from 17,294 metric tons in the previous year.

Overall production of field crops (excluding rice) remained relatively stable at 467,164 metric tons in 2025, compared to 426,882 metric tons in 2024. Maize production increased significantly by 21.7 percent to 272,056 metric tons from 223,496 metric tons in 2024. Big onion production rose sharply by 141.8 percent to 21,344 metric tons in 2025 from 8,828 metric tons in 2024, largely driven by government initiatives to encourage cultivation, particularly in the Matale District. In contrast, potato production declined by 30.4 percent to 29,371 metric tons from 42,207 metric tons in the previous year.

Livestock

In value-added terms, the animal production sub-sector recorded a robust growth of 10.5 percent in 2025, driven by increased demand for livestock products. Total milk production edged up by 0.4 percent to 524 million liters in 2025 from 522 million liters in 2024. Egg production increased by 3.6 percent to 1,754 million eggs in 2025 from 1,693 million eggs in 2024, supported by the easing production costs and the implementation of supportive government policies to enhance poultry production. Meanwhile, chicken production grew by 12.8 percent to 291,650 metric tons in 2025 from 258,540 metric tons in 2024, largely attributable to targeted government initiatives to boost production and a recovery in domestic maize output, a key input in poultry feed.

Marine and Inland Fishing

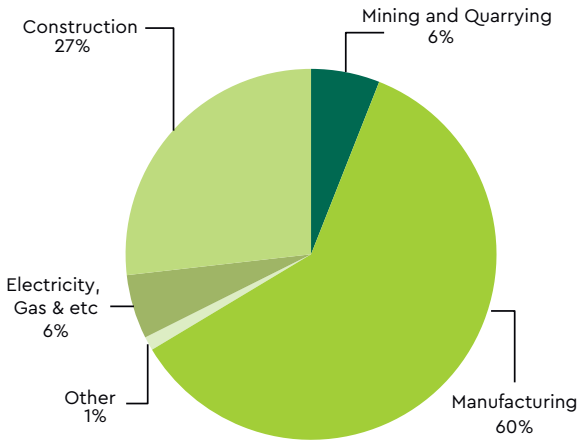
Total fish production declined by 11.3 percent in 2025 to 364,190 metric tons from 410,760 metric tons in 2024, driven primarily by unfavourable weather conditions. In value-added terms, the marine fishing and marine aquaculture sub-sector marginally declined by 0.1 percent in 2025, compared to a positive growth of 4.8 percent in 2024, while the freshwater fishing and freshwater aquaculture sub-sector contracted by 45.3 percent, compared to a contraction of 9.2 percent in the previous year. The fishing industry continues to face critical challenges, including overfishing, unsustainable fishing practices, pollution, and the adverse impacts of climate change. Addressing these through effective and targeted policy measures is essential to ensure the long-term sustainability of the sector.

Industry Sector

The Industry sector sustained its growth momentum in 2025, recording a positive expansion of 7.8 percent following the strong rebound of 11.1 percent in 2024, which marked a recovery from the contraction observed in 2023. This continued growth reflects the resilience of industrial activity, supported by broad-based improvements across key sub-sectors, particularly construction, mining and quarrying, and a range

of manufacturing industries. Overall, the sector's performance underscores its critical role in driving economic growth, underpinned by sustained activity across both traditional and emerging industrial segments.

Figure 2.4 | Industry Sector Composition – 2025



Source: Department of Census and Statistics

Mining and Quarrying

Mining and quarrying activities maintained strong growth in 2025, expanding by 16.9 percent and contributing 1.5 percent to GDP. This performance was largely driven by sustained demand for construction materials, with the mining of construction materials accounting for 88.6 percent of total value added and growing by 14.4 percent. Gem mining recorded a notable increase of 34.1 percent, supported mainly by sapphire production, while other mineral mining activities grew by 16.6 percent. The value of mineral exports declined marginally by 1.7 percent to Rs. 7,284 million in 2025, compared to a steeper decline of 41.5 percent to Rs. 7,412 million in 2024. Export earnings from key minerals, including natural graphite, natural sands, quartz, and other mineral products, all recorded declines compared to the previous year.

Manufacturing

The manufacturing sector, the largest contributor to GDP with a share of 17.0 percent, sustained its growth momentum in 2025, expanding by 6.2 percent following a 7.7 percent increase in 2024, driven by broad-based improvements across key industries. The manufacture of food, beverages, and tobacco products, the largest contributor within the sector, grew by 5.2 percent in 2025, compared to 6.1 percent in 2024. The manufacture of textiles, wearing apparel, and leather-related products, the second-largest contributor, recorded a positive growth for the second consecutive year, expanding by 8.0 percent in 2025 compared to 11.0 percent in 2024. Notably, the manufacture of coke and refined petroleum products rebounded significantly, growing by 16.9 percent, following a contraction in the previous year.

The manufacture of other non-metallic mineral products recorded a significant growth of 16.2 percent in 2025, compared 2.5 percent in 2024. The manufacture of paper products, printing, and reproduction of media products grew by 10.5 percent, while manufacture of wood and products of wood and cork products expanded by 5.0 percent in 2025. Rubber and plastic product manufacturing recorded an increase of 2.6 percent in 2025 compared to the previous year. The manufacture of machinery and equipment expanded marginally by 1.4 percent, and furniture manufacturing recorded a modest growth of 2.9 percent. The sub-sector comprising other manufacturing activities, including the repair and installation of machines was the only sub-sector within the industry sector to record a contraction of 5.8 percent in 2025 compared to the growth of 8.5 percent in 2024.

Construction

In value-added terms, the construction sector sustained its growth momentum in 2025, expanding by 9.2 percent, albeit at a more moderate pace than the 20.1 percent recorded in 2024. This strong performance was primarily driven by improved availability of construction materials and easing cost pressures. Large-scale infrastructure developments, particularly those financed through foreign funding, were key contributors to this growth, supported further by increased foreign investment in tourism-related construction, including hotel and resort developments. Notably, local cement production increased significantly by 22.0 percent, while imported cement declined by 18.6 percent, resulting in an overall expansion of 13.3 percent in total cement supply. Reductions in prices of key construction inputs—cement, iron and steel, and timber further facilitated sectoral growth. Overall, the continued expansion reflects sustained construction activity, underpinned by both supply-side improvements and favourable cost conditions.

Table 2.5 | Performance of the Selected Industrial Exports

USD Million

Item	2018	2019	2020	2021	2022	2023	2024	2025[a]
Food, Beverages and Tobacco	462	447	464	587	520	539	652	895
Animal Fodder	108	129	103	149	171	146	133	169
Textiles and Garments	5,318	5,596	4,423	5,435	5,952	4,879	5,061	5,314
Rubber Products	875	866	786	1,050	977	902	976	915
Gems, Diamonds and Jewellery	278	306	181	277	451	500	382	388
Machinery and Mechanical Appliances	435	400	338	501	581	598	486	492
Transport Equipment	120	146	71	148	129	149	107	125
Petroleum Products	622	521	374	506	568	539	1,603	971
Chemical Products	167	176	173	223	224	194	234	310
Wood and Paper Products	141	129	99	130	137	114	124	118
Leather Travel Goods and Footwear	148	103	54	58	86	71	62	69
Plastics and Articles thereof	78	73	176	79	61	56	54	56
Base Metals and Articles	165	177	111	156	177	178	187	207
Ceramic Products	31	30	24	37	38	34	32	29
Other Industrial Exports	311	326	295	361	395	378	395	403
Total	**9,258**	**9,426**	**7,672**	**9,702**	**10,465**	**9,278**	**9,947**	**10,461**

Source: Central Bank of Sri Lanka

[a] Provisional

Services Sector

In value-added items, Services sector continued its recovery momentum in 2025, recording a growth of 3.3 percent, following the moderate expansion observed in 2024 and the marginal contraction of 0.5 percent recorded in 2023. This performance was supported by broad-based improvements across key service sub-sectors, including accommodation, food and beverage service activities; IT programming, consultancy and related services; programming, and broadcasting activities and audio video production; telecommunication; financial service activities and auxiliary financial services; real estate activities including ownership of dwellings; wholesale and retail trade; transportation of goods and passengers; postal and courier activities; professional services; education; and other personal service activities.

The Public administration and defence, compulsory social security sub-sector was the only sub-sector within the service sector to record a contraction, declining marginally by 1.3 percent in 2025 compared to a contraction of 2.9 percent in 2024. Overall, the sustained growth of the services sector underscores its central role in driving economic activity and supporting broader economic stability.

Table 2.6 | Selected Indicators of Services Sector

Indicator	2021	2022	2023	2024[a]	2025[b]
Port Services [c]					
Vessels Arrived	4,180	4,073	4,809	4,564	5,115
Total Cargo Handled (MT '000)	109,369	100,376	103,794	120,237	126,353
Total Container Traffic (TEU '000)	7,249	6,862	6,950	7,792	8,301
Transshipment Container ** (TEU '000)	6,050	5,832	5,960	6,623	6,972
Telecommunication Sector					
Fixed Telephone Lines (No '000)	2,852	2,651	2,308	3,436	2,627
Cellular Phones (No '000)	29,959	28,838	28,986	28,820	29,491
Wireless Phone (No '000)	1,587	1,388	1,163	2,361	1,564
Internet and E-mail Subscribers ('000)	22,106	21,668	22,864	23,149	23,855
Health Sector					
Private Hospitals	243	250	n.a	n.a	n.a
Public Hospitals	618	651	n.a	688	n.a
Number of Beds (Government)	78,228	89,903	n.a	91,159	n.a
Number of Doctors (Government)	20,209	21,045	n.a	24,058	n.a
Number of Nurses (Government)	39,091	50,516	n.a	49,665	n.a
Financial Sector					
Bank Branches* and Other Outlets	7,369	7,382	7,521	7,613	7,973
Credit Cards in Use	2,054,985	2,054,896	1,987,857	1,990,271	2,165,600
Registered Finance Companies [d]	39	36	33	32	32
Registered Leasing Companies	3	1	1	1	1
Tourism Sector					
Tourist Arrivals	194,495	719,978	1,487,303	2,053,465	2,362,521
Tourist Earnings (USD Million)	507	1,136	2,068	3,169	3,219
Annual Room Occupancy Rate	18.6	30.4	n.a	n.a	n.a
Transport Services (New Registrations)					
Buses	281	404	685	146	2,096
Cars	3,495	1,489	1,816	1,644	68,047
Dual Purpose Vehicles***	771	760	586	1,027	6,936
Goods Transport Vehicles – Lorries	4,432	1,833	288	715	2,269
Motor Cycles	8,011	9,060	20,200	65,289	254,817
Three Wheelers	2,093	36	60	94	17,332
Land Vehicles – Tractors	8,272	4,369	1,770	1,882	4,701
Land Vehicles – Trailers	4,344	2,560	1,236	1,887	3,052

Sources: Sri Lanka Ports Authority, Telecommunications Regulatory Commission of Sri Lanka, Ministry of Health & Mass Media, Department of Motor Traffic, Sri Lanka Tourism Development Authority, Central Bank of Sri Lanka

[a] *Revised*

[b] *Provisional*

[c] *Colombo, Galle, Trincomalee and Hambantota Ports Only*

[d] *Excluding ETI Finance Limited (The Commercial High Court of Colombo ordered that the winding up of ETI Finance Limited be carried out subject to the Supervision of the Court on the 15th day of December 2023).*

* *Including Foreign Banks*

** *Including Re-Stowing*

*** *Includes Single Cabs*

n.a.- Not available

Wholesale and Retail Trade

In value-added terms, wholesale and retail trade recorded modest growth of 1.4 percent in 2025, compared to 1.2 percent in 2024, maintaining a gradual recovery trajectory. Contributing approximately 12.4 percent to GDP in 2025, the sector remained a key driver of economic activity. Its performance was closely linked to developments in domestic production and external trade, with fluctuations in imports, as well as agricultural and industrial output, influencing overall value addition. The continued expansion reflects improving economic conditions and steady demand across the economy.

Transportation of Goods and Passengers

In value-added terms, the transport sub-sector expanded by 3.0 percent in 2025, compared to a growth of 2.3 percent in 2024, supported by improvements across all modes of transportation and related services. Land transport grew by 2.2 percent, driven by increased vehicle registration,

although passenger kilometers operated by the Sri Lanka Transport Board declined by 7.5 percent, while railway passenger kilometers recorded a notable increase of 3.3 percent. Air transport operations rebounded strongly, with passenger kilometers increasing by 15.2 percent, reflecting a recovery in aviation activity. Support activities for transportation, including port operations and warehousing, expanded by 5.2 percent, indicating continued growth in trade and logistics. Overall, the sector's performance was underpinned by both passenger and freight transportation, reflecting improved connectivity and economic activity during the year.

Accommodation, Food and Beverage Service Activities

In value-added terms, the accommodation, food, and beverage service sub-sector expanded by 12.4 percent in 2025, compared to stronger growth of 32.5 percent in 2024. The continued growth was primarily supported by the sustained recovery in tourism, with total foreign tourist arrivals increasing by 15.1 percent, to 2,362,521 in 2025 from 2,053,465 in 2024, according to the Sri Lanka Tourism Development Authority. The moderation in growth relative to the previous year reflects a normalization following the strong post-recovery expansion observed in 2024. Consistent with this trend, the annual turnover of listed hotel companies at the Colombo Stock Exchange (CSE) recorded a modest increase of 1.0 percent in 2025. Overall, the sub-sector maintained its growth momentum at a more moderate pace, underpinned by continued improvements in tourism demand.

Financial, Insurance and Real Estate Activities

In value-added terms, financial, insurance, and real estate activities, including ownership of dwellings, recorded a moderate growth in 2025, supported by a broad-based recovery across key sub-sectors. Insurance, reinsurance, and pension funding activities rebounded strongly, growing by 14.6 percent in 2025 following the contraction in 2024, driven by increases in inflation-adjusted earned premiums and claims incurred, with gross premiums and claims rising by 17.5 percent and 18.3 percent, respectively. Real estate activities, including ownership of dwellings, continued their upward trajectory, registering growth of 3.6 percent in 2025, underpinned by increased market activity as reflected in an 11.0 percent rise in the quarterly turnover of listed real estate sector companies at the Colombo Stock Exchange. The sub-sector contributed Rs. 562,911 million in real terms to total GDP, accounting for 3.8 percent of GDP at current prices, highlighting its sustained importance within the overall economic framework.

Other Service Activities

In value-added terms, telecommunication activities grew by 3.1 percent in 2025, moderating from 4.0 percent growth in 2024, reflecting continued expansion in revenue and data-driven services despite the decline in wireless landline connections. IT programming consultancy and related activities accelerated to 12.8 percent growth in 2025, supported by strong performance in IT and IT-enabled services and improved export earnings from related service categories. Professional services expanded by 2.4 percent in 2025, easing slightly from 2024 levels, while programming and broadcasting and audio-video production activities grew by 2.0 percent, maintaining the positive momentum from the previous year. Postal and courier activities recorded a notable growth of 8.9 percent in 2025, driven by expansions in both postal (10.0 percent) and courier (6.4 percent) services, alongside a significant increase in staff costs. Meanwhile, human health activities rebounded to 3.0 percent growth in 2025, compared to the marginal contraction in 2024, while other personal service activities grew modestly by 1.0 percent, supported by tourism related and seasonal demand.

Domestic Demand and Consumption

Domestic demand, which comprises consumption and investment expenditure, grew by 10.2 percent to Rs. 34,019.7 billion at current market prices in 2025 from Rs. 30,880.6 billion in 2024, driven by increases in both components. Total consumption increased by 5.9 percent to Rs. 24,310.6 billion in 2025 from Rs. 22,951.4 billion in 2024, reflecting continued growth in private consumption and government consumption.

Private consumption, accounting for 67.5 percent of GDP, increased by 6.0 percent at current prices in 2025, maintaining its dominant contribution to overall consumption expenditure. Government consumption increased by 5.6 percent in 2025, further supporting the expansion in aggregate consumption demand.

Table 2.7 | Domestic Demand, Supply and Trade Balance[a]

Item	Current Market Prices (Rs. Billion)			Change (%)			As a % of GDP		
	2023[b]	2024[b]	2025[c]	2023[b]	2024[b]	2025[c]	2023[b]	2024[b]	2025[c]
Domestic Demand	**28,131**	**30,881**	**34,020**	**12.9**	**9.8**	**10.2**	**102.1**	**102.6**	**103.9**
Consumption	21,446	22,951	24,311	16.8	7.0	5.9	77.9	76.3	74.2
Private	19,588	20,860	22,102	17.9	6.5	6.0	71.1	69.3	67.5
Government	1,858	2,092	2,208	6.8	12.6	5.6	6.7	7.0	6.7
Investment	6,685	7,929	9,709	1.9	18.6	22.4	24.3	26.3	29.6
Net External Demand (Trade balance)	**-592**	**-785**	**-1,269**	**-31.0**	**-32.6**	**-61.7**	**-2.1**	**-2.6**	**-3.9**
Export of Goods and Services	5,673	5,946	6,212	9.3	4.8	4.5	20.6	19.8	19.0
Import of Goods and Services	6,265	6,731	7,481	3.6	7.4	11.1	22.7	22.4	22.8
Domestic Supply = GDP	**27,539**	**30,096**	**32,751**	**14.4**	**9.3**	**8.8**	**100.0**	**100.0**	**100.0**

Sources : Department of Census and Statistics and Central Bank of Sri Lanka
[a] The data is based on the base year 2015 GDP estimates of the Department of Census and Statistics
[b] Revised
[c] Provisional

Net External Demand

Exports of goods and services increased by 4.5 percent to Rs. 6,212.0 billion in 2025 from Rs. 5,945.7 billion in 2024, supported by improved external sector performance. Imports of goods and services increased by 11.1 percent to Rs. 7,480.8 billion in 2025 compared to Rs. 6,730.5 billion in 2024, reflecting stronger import demand associated with expanding domestic economic activity. As a result, net external demand at current prices recorded a deficit of Rs. 1,268.8 billion in 2025, widening from a deficit of Rs. 784.8 billion in 2024.

Table 2.8 | Aggregate Supply and use of Goods and Services [a]

Item	Rs. Billion			Change (%)		As a % of GDP	
	2023[b]	2024[b]	2025[c]	2023/ 2024[b]	2024/ 2025[c]	2024[b]	2025[c]
Aggregate Demand	33,804	36,826	40,232	9.3	9.2	122.3	122.8
Domestic Demand	28,131	30,881	34,020	9.8	10.2	102.6	103.9
External Demand = Export of Goods and Services	5,673	5,946	6,212	4.8	4.5	19.8	19.0
Aggregate Supply	33,804	36,826	40,232	11.4	9.2	122.0	122.8
Gross Domestic Product	27,539	30,096	32,751	9.3	8.8	100.0	100.0
Import of Goods and Services	6,265	6,731	7,481	7.4	11.1	22.4	22.8
Trade Gap of Goods and Services	-592	-785	-1,269	-32.6	61.7	-2.6	-3.9
Share of Imports in Aggregate Supply (%)	18.5	18.3	18.6	-0.2	0.3	0.1	0.1

Sources: Department of Census and Statistics and Central Bank of Sri Lanka
[a] The data is based on the base year 2015 GDP estimates of the Department of Census and Statistics
[b] Revised
[c] Provisional

Investment and Savings

Investment expenditure at current market prices grew by 22.4 percent to Rs. 9,709.1 billion in 2025 compared to Rs. 7,929.3 billion in 2024. Gross fixed capital formation, the key component of investment expenditure, increased by 18.5 percent in 2025, reflecting improved investment momentum during the year.

Domestic savings grew by 18.1 percent to Rs. 8,440.3 billion in 2025, compared to Rs. 7,144.5 billion in 2024, with domestic savings-to-GDP ratio rising to 25.8 percent in 2025 from 23.7 percent in 2024. In rupee terms, net primary income from the rest of the world improved to a lower deficit of Rs. 608.6 billion, while net secondary income from the rest of the world increased to Rs. 2,394.5 billion during the year.

National savings recorded a strong growth of 23.2 percent in 2025, increasing to 31.2 percent of GDP, compared to 27.6 percent in 2024. The national savings–investment gap remained positive at Rs. 517.0 billion in 2025, indicating continued improvement in the external financing position of the economy.

Table 2.9 | Investment and Savings

Item	Rs. Billion			As a % of GDP		
	2023[a]	2024[a]	2025[b]	2023[a]	2024[a]	2025[b]
Domestic Investment	**6,685**	**7,929**	**9,709**	**24.3**	**26.3**	**29.6**
Domestic Savings	**6,149**	**7,145**	**8,440**	**22.3**	**23.7**	**25.8**
Private	7,800	8,454	8,223	28.3	28.1	25.1
Government	-1,651	-1,309	217	-6.0	-4.3	0.7
Investment – Domestic Savings Gap	**-592**	**-785**	**-1,269**	**-2.1**	**-2.6**	**-3.9**
Net Factor Income From Abroad (c)	-834	-785	-609	-3.0	-2.6	-1.9
Net Foreign Private Transfers	1,907	1,943	2,395	6.9	6.5	7.3
National Savings	**7,223**	**8,302**	**10,226**	**26.2**	**27.6**	**31.2**

Sources : Department of Census and Statistics and Central Bank of Sri Lanka

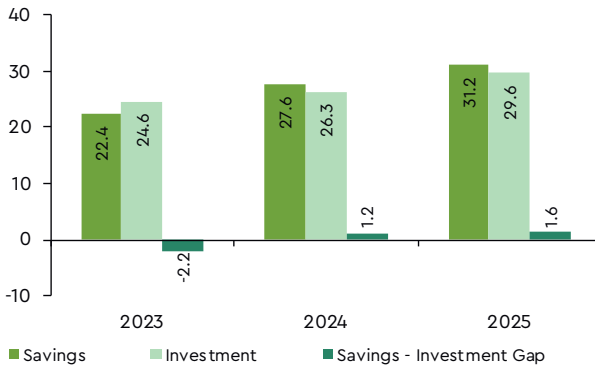
[a] Revised

[b] Provisional

[c] The difference with the BOP estimates is due to the time lag in compilation.

Figure 2.5 | Savings – Investment Gap

(As a percentage of GDP)



Source: Central Bank of Sri Lanka

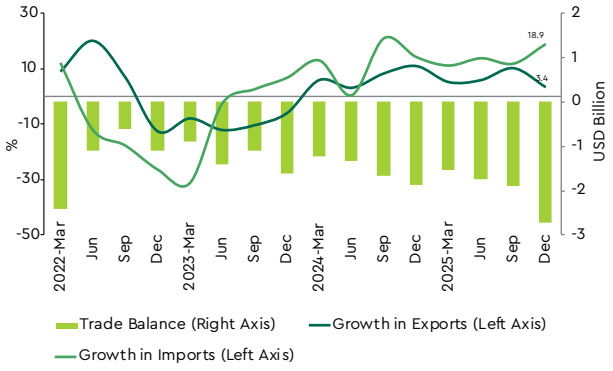
2.3 External Sector

Sri Lanka's external sector strengthened in 2025, recording a current account surplus, despite a higher trade deficit stemming from import expenditure significantly outpacing export earnings. Continued recovery in export earnings, strong inflows from workers' remittances and steady growth in tourism and service receipts supported this outcome. However, the near-term outlook for the external sector remains volatile, particularly due to heightened geopolitical tensions in the Middle East.

Earnings from exports increased by 6.3 percent to USD 13,581.4 million in 2025 compared to USD 12,772.0 million in 2024, driven mainly by higher earnings from industrial and agricultural exports. Meanwhile, import expenditure increased by 14.0 percent to USD 21,479.9 million in 2025 from USD 18,841.4 million in 2024, driven mainly by higher expenditure on consumer goods. As a result, the trade deficit widened to USD 7,898.6 million in 2025 from USD 6,069.4 million in 2024.

The current account recorded a surplus of USD 1.7 billion in 2025, compared to a USD 1.2 billion surplus in 2024, with the current account surplus as a percentage of GDP rising to 1.6 percent in 2025 from a surplus of 1.2 percent of GDP in 2024. The service account surplus increased to USD 3.7 billion in 2025 from USD 3.4 billion in 2024, supported by increased inflows from tourism and sea transport. The capital account recorded a deficit of USD 7.0 million in 2025, compared to a surplus of USD 12.0 million in 2024, due to limited capital transfers to both the Government and private sector. The financial account recorded a net balance of USD 904 million in 2025, compared to USD 965 million in 2024, reflecting inflows from the IMF-EFF programme and disbursements from the Asian Development Bank. Foreign Direct Investment inflows including foreign loans amounted to USD 1,154 million in 2025, compared to USD 845 million in 2024.

Figure 2.6 | Growth in Exports & Imports and Trade Balance (Quarterly)



Source: Central Bank of Sri Lanka

Table 2.10 | External Trade

USD Million

	2022	2023	2024	2025[a]
Exports	**13,106**	**11,911**	**12,772**	**13,581**
Agricultural Exports	2,568	2,567	2,775	3,072
Industrial Exports	10,465	9,278	9,947	10,461
Mineral Exports	50	38	25	24
Unclassified	23	28	26	24
Imports	**18,291**	**16,811**	**18,841**	**21,480**
Consumer Goods	2,813	3,044	3,466	5,518
Intermediate Goods	12,439	11,007	11,915	11,859
Investment Goods	3,031	2,745	3,448	4,090
Unclassified	9	16	13	13
Trade Deficit	**-5,185**	**-4,899**	**-6,069**	**-7,899**

Sources : Central Bank of Sri Lanka

[a] Provisional

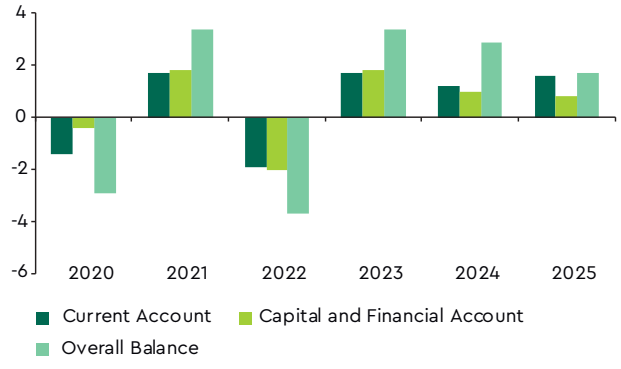
Figure 2.7 | Trade Balance

(USD Billion)

Source: Central Bank of Sri Lanka

Figure 2.8 | Balance of Payments

(As a percentage of GDP)



Source: Central Bank of Sri Lanka

The tourism sector sustained its growth momentum, with tourist arrivals increasing by 15.1 percent to 2,362,521 persons in 2025 from 2,053,465 persons in 2024. Tourism earnings increased by 1.6 percent to USD 3,219.2 million in 2025 from USD 3,168.6 million in 2024.

Gross Official Reserves (GOR) increased to USD 6,838 million at end December-2025 from USD 6,122 million at end-2024, supported by inflows from multilateral institutions— including the fourth and fifth tranches under IMF-EFF programme, emergency RFI financing and the ADB financing— as well as net purchases of foreign exchange of USD 2.0 billion by the Central Bank from the domestic foreign exchange market. The reserve accumulation was achieved despite the foreign currency debt service payments of USD 5.1 billion in 2025. Total external assets increased to USD 16.1 billion at end-2025 from USD 14.5 billion at end-2024.

The overall balance of payments (BOP) recorded a surplus of USD 1,798 million in 2025, compared to a surplus of USD 2,890 million in 2024. Meanwhile, the Sri Lankan rupee depreciated by 5.6 percent against the US dollar in 2025, mainly due to the significant increase in merchandise imports following the lifting of import restriction of motor vehicles.

Exports

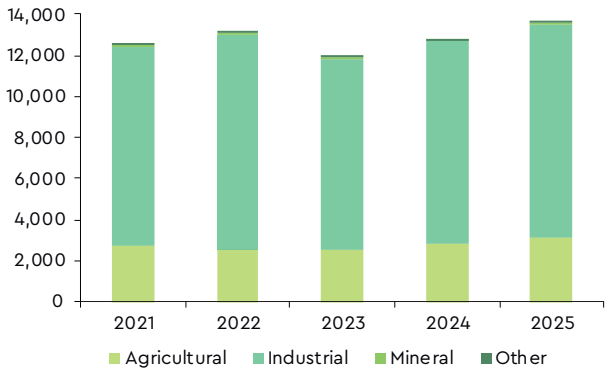
Earnings from exports increased significantly by 6.3 percent to USD 13,581.4 million in 2025 from USD 12,772.0 million in 2024, reflecting improved external demand and a revival of domestic economic activity. This was the highest export value recorded in the country's history. Industrial exports accounted for 77.0 percent of total export earnings, while agricultural and mineral exports contributed 22.6 percent and 0.2 percent, respectively. Accordingly, earnings from industrial exports grew by 5.2 percent to USD 10,460.8 million in 2025 from USD 9,946.9 million in 2024, earnings from agricultural exports increased by 10.7 percent to USD 3,072.0 million in 2025 from USD 2,774.5 million in 2024, while earnings from mineral exports dropped by 1.4 percent to USD 24.2 million in 2025 from USD 24.5 million in 2024. As a percentage of GDP, export earnings amounted to 12.5 percent in 2025.

Industrial export earnings increased by 5.2 percent to USD 10,460.8 million in 2025 from USD 9,946.9 million in 2024. This was mainly due to the increase in export earnings from textiles and garments by 5.0 percent to USD 5,313.7 million and food, beverages, and tobacco products by 37.4 percent to USD 895.5 million in 2025. However, export earnings from petroleum products, rubber products, and wood and paper products declined.

Earnings from agricultural exports increased by 10.7 percent to USD 3,072.0 million in 2025 from USD 2,774.5 million in 2024, supported by increased earnings from tea, coconut, and minor agricultural products, despite the drop in earnings from spices. Export earnings from tea increased by 5.0 percent to USD 1,507.2 million in 2025 from USD 1,435.9 million in 2024, driven by increased export prices and volumes of tea, contributing 49.1 percent to total agricultural export earnings. Earnings from coconut products grew significantly by 37.7 percent to USD 573.5 million in 2025 driven by increased earnings from kernel, non-kernel, and value-added coconut exports. Meanwhile, mineral export earnings decreased by 1.4 percent to USD 24.2 million in 2025 from USD 24.5 million in 2024. Unclassified export earnings also dropped by 6.7 percent to USD 24.4 million in 2025.

Figure 2.9 | Composition of Exports

(USD Million)



Source: Central Bank of Sri Lanka

Figure 2.10 | Total Exports and Textile & Garments Exports

(USD Million)

Source: Central Bank of Sri Lanka

Table 2.11 | Import & Export of Services

USD Million

Item	Imports			Exports		
	2023	2024	2025[a]	2023	2024	2025[a]
Transportation Services	732	1,017	996	1,550	1,794	1,883
Computer and Information Services	198	194	263	795	848	800
Travel and Tourism	503	755	829	2,068	3,169	3,219
Communication Services	53	51	34	122	123	103
Construction Services	111	127	37	355	212	132
Insurance Services	51	57	50	35	24	21
Financial Services	57	65	21	64	55	46
Other Business Services	344	563	756	310	540	774
Government Expenditure n.i.e.	8	251	7	7	36	13
Total	**2,056**	**3,080**	**2,992**	**5,305**	**6,801**	**6,992**

Source: Central Bank of Sri Lanka

[a] Provisional

Table 2.12 | Value of Industrial Exports

USD Million

Category	2020	2021	2022	2023	2024	2025[a]
Textile and Garments	4,423	5,435	5,952	4,879	5,061	5,314
Rubber Products	786	1,050	977	902	976	915
Petroleum Products	374	506	568	539	1,064	971
Gems, Diamonds and Jewellery	181	277	451	500	382	388
Machinery and Mechanical Appliances	338	501	581	598	486	492
Food, Beverages and Tobacco	464	587	520	539	652	896
Other Industrial Exports	1,106	1,346	1,417	1,320	1,328	1,485
Total	**7,672**	**9,702**	**10,465**	**9,278**	**9,947**	**10,461**

Source: Central Bank of Sri Lanka
[a] Provisional

Table 2.13 | Value of Agricultural Exports

USD Million

Category	2020	2021	2022	2023	2024	2025[a]
Tea	1,241	1,324	1,259	1,310	1,436	1,507
Rubber	30	42	41	28	26	31
Coconut	345	425	400	337	417	574
Other Agricultural Exports	530	664	599	630	663	720
Seafood	190	274	269	262	233	240
Total	**2,336**	**2,730**	**2,568**	**2,567**	**2,775**	**3,072**

Source: Central Bank of Sri Lanka
[a] Provisional

Imports

Expenditure on imports increased significantly by 14.0 percent to USD 21,479.9 million in 2025 from USD 18,841.4 million in 2024. This increase was driven by higher spending on consumer and investment goods imports, despite a slight decline in expenditure on intermediate goods, reflecting the recovery in domestic demand and the significant impact of the removal of import restrictions on vehicles. As a percentage of GDP, import expenditure increased to 19.7 percent in 2025 from 18.9 percent in 2024.

Import expenditure on consumer goods increased notably by 59.2 percent to USD 5,518.3 million in 2025 from USD 3,465.7 million in 2024, driven by increases in import expenditure on both food and beverages and non-food consumer goods categories. Import expenditure on food and beverages increased by 10.5 percent to USD 2,115.9 million in 2025 from USD 1,914.3 million in 2024, driven by higher import expenditure on dairy products, oils and fats and seafood categories. Expenditure on non-food consumer goods grew notably by 119.3 percent to USD 3,402.3 million in 2025, driven by increased spending on personal vehicle imports, accounting for USD 1,606.7 million in 2025 compared to USD 66.2 million in 2024. Further, increased import expenditure on medical and pharmaceutical products, clothing and accessories, telecommunication devices, home appliances, and household and furniture items also contributed to the rise in overall non-food consumer goods import expenditure.

Import expenditure on intermediate goods, which accounted for 55.2 percent of total import expenditure, recorded a slight decrease of 0.5 percent to USD 11,858.9 million in 2025 from USD 11,914.5 million in 2024. This decrease was primarily driven by a marginal reduction in expenditure on fuel and textiles and textile articles. Expenditure on fuel imports decreased by 7.2 percent to USD 4,042.5 million in 2025, reflecting a lower spending on refined petroleum and coal imports compared to the previous year despite an increase in expenditure on crude oil imports. Import expenditure on textiles and textile articles decreased by 3.4 percent to USD 2,749.1 million in 2025 from USD 2,847.1 million in 2024. However, higher spending on chemical products, plastics and related articles, base metals, wheat and maize, fertilizer and agricultural inputs partially offset these declines, contributing to an increase in import expenditure on those subcategories within intermediate goods in 2025.

Import expenditure on investment goods increased by 18.6 percent to USD 4,089.9 million in 2025 from USD 3,448.2 million in 2024, driven by higher import expenditure on machinery and equipment, building materials, and transport equipment, reflecting the macroeconomic development in the country and recovery in domestic demand.

Import expenditure on machinery and equipment increased by 6.4 percent to USD 2,513.4 million, building materials grew by 9.7 percent to USD 1,016.8 million and transport equipment increased by 258.8 percent to USD 555.5 million in 2025.

Table 2.14 | Value of Imports

USD Million

Category	2021	2022	2023	2024	2025 [a]
Consumer Goods	**3,848.7**	**2,813.0**	**3,043.9**	**3,465.7**	**5,518.3**
Food and Beverages	1,666.5	1,607.9	1,693.0	1,914.3	2,115.9
Sugar	288.8	257.8	435.5	389.5	367.9
Milk and Milk Products	317.7	225.3	273.7	239.7	357.5
Other Food and Beverages	1,060.0	1,124.8	983.8	1,285.1	1,390.5
Non-food Consumables	2,182.2	1,205.1	1,350.9	1,551.4	3,402.3
Vehicles	12.8	11.7	27.7	66.2	1,606.7
Home appliances	257.1	85.5	72.4	155.6	201.6
Medical and Pharmaceutical Products	882.5	533.4	667.0	575.6	667.1
Household and Furniture Items	161.2	116.3	122.1	138.1	153.4
Other	868.6	458.2	461.7	615.9	773.5
Intermediate Goods	**12,308.9**	**12,438.8**	**11,006.6**	**11,914.5**	**11,858.9**
Fertilizer	158.2	275.9	235.0	201.1	309.2
Petroleum	3,742.9	4,896.8	4,702.6	4,354.4	4,042.5
Chemical Products	1,074.4	966.2	814.7	987.0	1,037.9
Paper and Paper Boards	468.9	465.9	412.4	447.0	411.3
Wheat and Maize	418.3	303.1	338.2	382.5	398.3
Textile & Textile article	3,066.9	3,065.2	2,371.2	2,847.1	2,749.1
Diamond and Precious Metals	143.6	203.8	268.4	216.9	148.6
Base Metal	866.4	323.2	313.8	473.4	541.2
Other Intermediate Goods	2,369.3	1,938.7	1,550.3	2,005.1	2,220.8
Investment Goods	**4,462.7**	**3,030.5**	**2,744.6**	**3,448.2**	**4,089.9**
Machinery and Equipment	2,809.5	1,969.0	1,867.6	2,363.1	2,513.4
Transport Equipment	398.5	132.1	98.5	154.8	555.5
Building Material	1,248.9	926.3	775.1	927.2	1,016.8
Other Investment Goods	5.8	3.0	3.3	3.1	4.2
Unclassified Imports	**17.1**	**8.8**	**16.0**	**13.0**	**12.9**
Total Imports	**20,637.4**	**18,291.0**	**16,811.1**	**18,841.4**	**21,480.0**

Source: Central Bank of Sri Lanka

[a] Provisional

Table 2.15 | Balance of Payments : 2020- 2025

USD Million

Item	2020	2021	2022	2023	2024[a]	2025[b]
Trade Balance	**-6,008**	**-8,139**	**-5,185**	**-4,900**	**-6,069**	**-7,899**
Exports	10,047	12,499	13,106	11,911	12,772	13,581
Imports	16,055	20,637	18,291	16,811	18,841	21,480
Service (net)	**819**	**1,586**	**2,110**	**3,053**	**3,435**	**3,707**
Receipts	3,035	2,475	3,062	5,416	6,910	7,066
Payments	2,216	889	953	2,363	3,475	3,359
Income (net)	**-2,205**	**-1,959**	**-1,870**	**-2,548**	**-2,598**	**-2,036**
Receipts	198	116	266	460	609	580
Payments	2,404	2,075	2,136	3,008	3,207	2,616
Goods, Services and Income (net)	**-7,394**	**-8,512**	**-4,945**	**-4,395**	**-5,232**	**-6,228**
Current Transfers (net)	**6,207**	**5,228**	**3,496**	**5,834**	**6,439**	**7,947**
Private Transfers(net)	6,194	5,221	3,493	5,815	6,429	7,946
Receipts (Workers' Remittances)	7,104	5,491	3,789	5,970	6,575	8,076
Payments	910	270	296	155	146	130
Official Transfers (net)	13	6	3	20	10	1
Current Account	**-1,187**	**-3,284**	**-1,448**	**1,439**	**1,207**	**1,719**
Capital and Financial Account (net)	**-232**	**-4,186**	**-1,549**	**1,520**	**977**	**897**
Capital Account net (c)	**28**	**25**	**19**	**37**	**12**	**-7**
Current and Capital Account (net)	**-1,159**	**-3,259**	**-1,429**	**1,476**	**1,219**	**1,712**
Financial Account (net)	**-394**	**-4,211**	**-1,569**	**1,483**	**965**	**904**
Errors and Omissions	765	-952	-139	6	-254	-808
Overall Balance (Balance of Payments)	**-2,328**	**-3,967**	**-2,806**	**2,826**	**2,890**	**1,798**
As a percentage of GDP						
Trade Deficit / Surplus	-7.1	-9.2	-6.7	-5.9	-6.1	-7.3
Current Account Deficit / Surplus	-1.4	-3.7	-1.9	1.7	1.2	1.6

Sources: Central Bank of Sri Lanka
[a] Revised
[b] Provisional
[c] Data on capital transfers to the General Government for 2025 are available only up to first half of 2025

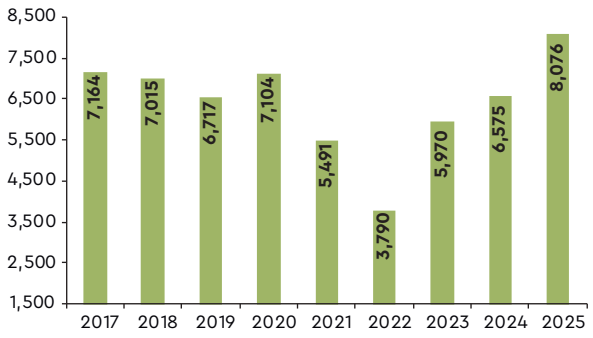
Earnings from Tourism

Earnings from tourism increased by 1.6 percent to USD 3,219.2 million in 2025 from USD 3,168.6 million in 2024, continuing the strong recovery observed in the previous year. Tourist arrivals increased by 15.1 percent to 2,362,521 persons in 2025 from 2,053,465 persons in 2024. In 2025, the highest number of tourist arrivals was recorded from India, the United Kingdom, Russia, Germany, and China. India remained the largest source market, accounting for 531,511 tourists in 2025, representing 22.5 percent of total tourist arrivals.

Workers' Remittances

Workers' remittances increased by 22.8 percent to USD 8,076.2 million in 2025 from USD 6,575.4 million in 2024, supported by higher departures for foreign employment and increased remittances through formal channels.

Figure 2.11 | Workers' Remittances
(USD Million)



Source: Central Bank of Sri Lanka

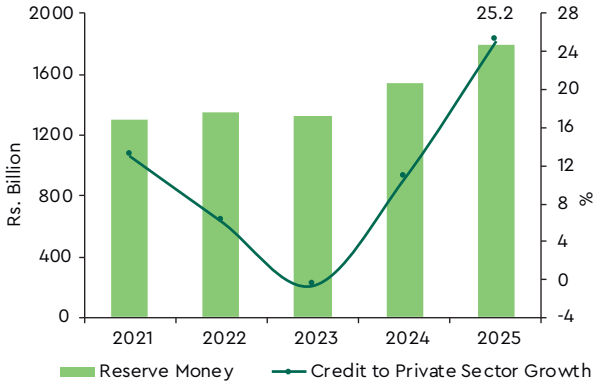
2.4 Monetary Sector

In 2025, the Central Bank of Sri Lanka (CBSL) continued an accommodative monetary policy stance, which helped to bring down market interest rates amidst a modest increase in interest rates in the latter part of 2025. Building on the improvements observed in macroeconomic conditions, including stabilising inflation and the gradual strengthening of the external sector,

the CBSL further consolidated its streamlined monetary policy framework, which introduced a single policy rate.

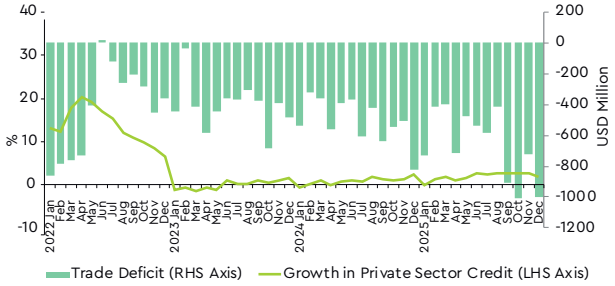
The replacement of the dual interest rate structure, namely the Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR), with a unified Central Bank Policy Interest Rate has enhanced clarity, transparency, and the effectiveness of monetary policy operations. An accommodative monetary policy stance was adopted significantly from June 2023 through 2024, with a cumulative easing of around 7.75 percentage points, and was eased further through the reduction in the Overnight Policy Rate (OPR) by 0.25 percentage points in 2025. This framework continues to provide stronger forward guidance to market participants while supporting efforts to anchor inflation around the medium-term target of approximately 5 percent. In this context, monetary policy measures remained focused on facilitating credit flows to productive sectors and maintaining adequate liquidity in the domestic money market. The Statutory Reserve Ratio (SRR) continued to support liquidity conditions within the banking system.

Figure 2.12 | Reserve Money and Private Sector Credit Growth



Source: Central Bank of Sri Lanka

Figure 2.13 | Private Sector Credit Growth and Trade Deficit



Source: Central Bank of Sri Lanka

Table 2.16 | Outstanding Loans and Advances Granted by Commercial Banks [a][b]

USD Billion

Item	2024[c]	2025[d]	2024/2025 % Change
Agriculture and Fishing	**748.6**	**911.8**	**21.8**
o/w			
Tea	169.0	193.7	14.6
Rubber	52.0	60.2	15.9
Coconut	42.0	61.6	46.7
Paddy	50.3	75.3	49.7
Vegetable, Fruits and Minor Food Crops	58.1	71.7	23.3
Livestock and Diary Farming	58.7	74.0	26.2
Fisheries	40.5	58.6	44.8
Industry	**3,221.2**	**3,804.6**	**18.1**
o/w			
Construction	1,524.5	1,812.8	18.9
Food and Beverages	203.1	239.4	17.9
Textiles and Apparel	380.5	404.2	6.2
Chemical, Petroleum, Phamaceutical Products	209.9	225.7	7.5
Basic Metal Products	53.3	76.7	44.0
Machinery and Transport Equipment	187.1	315.7	68.8
Services	**2,289.5**	**3,139.2**	**37.1**
o/w			
Wholesale and Retail Trade	751.6	1,127.0	49.9
Tourism	297.6	284.4	-4.4
Financial and Business Services	441.2	784.2	77.7
Transport	56.5	83.2	47.2
Communication and Information Technology	155.5	136.7	-12.1
Personal Loans and Advances [e]	**1,815.1**	**2,221.5**	**22.4**
o/w			
Consumer Durables	39.3	80.8	105.5
Pawning	660.2	897.9	36.0
Credit Cards	169.0	193.3	14.4
Total [f]	**8,074.5**	**10,077.1**	**24.8**

Source: Central Bank of Sri Lanka

[a] Based on the Monthly Survey of Commercial Banks' Loans and Advances to the Private Sector. This survey was commenced in April 2025, by replacing the Quarterly Survey of Commercial Banks' Loans and Advances to the Private Sector.

[b] Includes loans, overdrafts, and bills discounted and excludes cash items in the process of collection.

[c] Revised

[d] Provisional

[e] Excludes personal housing loans, which have been included under 'Construction' classified under 'Industry' and includes Safety Net Scheme related loans.

[f] Total credit to the private sector as per the Monthly Survey differ from that in the Monetary Survey due to differences in the compilation methodologies.

Amid relatively subdued inflationary pressures and improving financial market confidence, market interest rates remained on a declining and stable path. The Average Weighted Call Money Rate (AWCMR) continued to align with the prevailing policy framework, while the Average Weighted Lending Rate (AWLR) and the Average Weighted New Lending Rate (AWNLR) reflected improved borrowing conditions across economic sectors, including Small and Medium Enterprises (SMEs). Similarly, the Average Weighted SME Lending Rate (AWSR) and the Average Weighted New SME Lending Rate (AWNSR) supported continued access to finance for entrepreneurs and businesses, contributing to the gradual recovery of economic activity.

Broad money (M2b) growth remained moderate, reflecting prudent monetary management and ongoing fiscal consolidation efforts. Developments in private sector credit, credit to State-Owned Enterprises (SOEs), and the government's borrowing requirements continued to influence overall monetary conditions. Improvements in Net Credit to the Government (NCG) and Net Foreign Assets (NFA) of the banking sector also supported monetary stability. Overall, monetary sector developments during the period reflected a continued effort to maintain macroeconomic stability while fostering conditions conducive to sustainable economic growth.

2.5 Inflation

Headline inflation, measured by the year-on-year (Y-o-Y) change in the Colombo Consumer Price Index (CCPI, 2021=100), turned to positive territory in August 2025 following a prolonged deflationary period of 11 consecutive months from September 2024 to July 2025. Inflation gradually increased to 2.1 percent by end December 2025, remaining below the Central Bank's medium-term inflation target of approximately 5 percent.

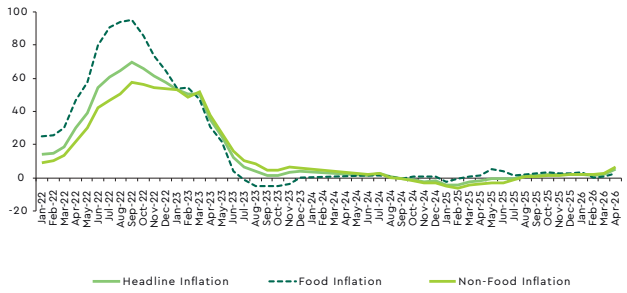
The temporary deflation was driven by base effects from previously high prices, tight monetary policy, supply-side factors-especially several rounds of downward revisions to electricity tariffs, fuel, and LP gas prices-as well as domestic supply-side improvements and the recovery of global supply chains. As economic activity recovered, inflation showed a moderate upward trend, reflecting improving demand conditions.

The CCPI index increased from 192.6 in January to 195.8 in December 2025, indicating a gradual rise in the general price level and cost of living. However, price movements were uneven: early 2025 saw slight declines, while mid-to-late 2025 recorded gradual increases. A notable spike occurred in December, mainly due to adverse weather-related supply disruptions, though year-on-year inflation remained subdued due to base effects.

Core inflation, which reflects the underlying inflation in the economy, showed a gradual and consistent upward trend throughout 2025, indicating strengthening underlying price pressures despite low headline inflation. At the beginning of the year, year-on-year core inflation, as measured by the CCPI, stood at 1.2 percent, reflecting weak demand conditions and the lagged effects of tight monetary policy. However, from mid-2025 onwards, it began to steadily increase alongside the economic recovery, rising to 2.0 percent by August–September and further accelerating in the final quarter. By December 2025, year-on-year core inflation, as measured by the CCPI, reached 2.7 percent, up from 2.4 percent in November, highlighting a continued build-up of demand-driven inflationary pressures. This upward movement suggests that, although headline inflation remained low due to base effects and temporary factors, underlying inflation was normalising, indicating a gradual transition toward the Central Bank's medium-term inflation target.

Headline inflation, as measured by the year-on-year (Y-o-Y) change in the National Consumer Price Index (NCPI, 2021=100), which also entered negative territory in September 2024, recorded its lowest point of -4.0 percent in January 2025. It returned to positive territory in May 2025, recording 0.6 percent, and gradually increased to 2.9 percent by December 2025. Similarly, core inflation, as measured by the NCPI, entered negative territory in January 2025, recording -0.2 percent, returned to positive territory in May 2025, recording 0.3 percent, and gradually increased to 2.6 percent by end 2025.

Figure 2.14 | Headline Inflation, Food Inflation & Non-food Inflation – CCPI
(Percent)



Source: Department of Census and Statistics
Note: 2022 January – 2023 January based on CCPI (2013=100), from February 2023 based on CCPI (2021=100)

Overall, 2025 marked a transition from deflation to a low-inflation environment, supported by effective macroeconomic policies. While headline inflation remained subdued, rising core inflation suggested emerging underlying price pressures and a gradual move toward the Central Bank's medium-term inflation target.

2.6 Employment and Unemployment

The unemployment rate decreased to 3.9 percent in 2025 from 4.4 percent in 2024, driven by an increase in the employed population, reflecting the gradual absorption of workers into economic activities. The unemployment rate for males decreased to 2.8 percent in 2025 from 3.0 percent in 2024, while the unemployment rate for females decreased to 6.1 percent in 2025 from 7.1 percent in 2024.

The labour market in 2025 reflected a gradual recovery following the severe economic crisis of 2022–2023. Improvements in macroeconomic stability, declining inflation, and renewed economic activity contributed to moderate gains in employment. However, structural challenges such as youth unemployment, skills mismatch, and low female labour force participation continued to pose challenges.

The total labour force at end-2025 was recorded at 8.554 million, marking a 2.9 percent increase from 8.316 million at end-2024. This growth was supported by increased economic activity in the construction, services, tourism, and trade sectors, which contributed significantly to the expansion of the labour force.

The distribution of the workforce across major sectors indicates that 23.9 percent were engaged in agriculture, 26.2 percent in industry, and 49.9 percent in services at end-2025. This trend reinforces the dominant role of the services sector as the principal provider of employment. Meanwhile, the share of the agriculture sector recorded a slight decline, while the industry sector experienced a marginal increase compared to the previous year.

The labour force participation rate increased to 49.4 percent in 2025 from 47.4 percent in 2024, indicating a gradual recovery from previous declines. Male and female labour force participation rates increased to 69.1 percent and 32.5 percent, respectively. This reflected increasing engagement in economic activities, particularly as economic conditions improved and more individuals entered the workforce.

2.7 Equity Market Development

The equity market in Sri Lanka recorded a strong performance in 2025, reflecting improved macroeconomic stability and renewed investor confidence following the economic crisis period. Market activity remained robust throughout the year, with notable improvements in turnover and trading volumes. Investor participation, particularly by domestic investors, played a key role in driving the market activity. Lower interest rates encouraged a shift from traditional savings instruments, such as fixed deposits, towards equities, thereby enhancing market liquidity.

The All-Share Price Index (ASPI, 1985 = 100), which measures the movement of share prices of all listed companies, increased significantly by 41.9 percent to 22,624.3 points at end-December 2025 from 15,944.6 points at end-December 2024. The Standard and Poor's Sri Lanka 20 (S&P SL20, 2004 = 1,000) index, which reflects the performance of 20 leading publicly traded companies listed on the Colombo Stock Exchange, also increased significantly by 26.6 percent to 6,157.4 points at end-December 2025, up from 4,862.1 points at end-December 2024.

This upward trend was mainly driven by increased participation from domestic investors, supported by government reforms aimed at improving the business environment and boosting investor

confidence, stronger corporate performance, a positive economic outlook, and eased monetary conditions.

Market capitalization, which represents the total value of all listed companies on the Colombo Stock Exchange, increased by 41.7 percent to Rs. 8,068.6 billion at end-December 2025 from Rs.5,695.6 billion recorded at end-December 2024. Market capitalization as a percentage of GDP increased to 24.6 percent at end-2025 from 18.9 percent at end-2024. This growth in market capitalization reflects the expanding value of listed companies and the increasing attractiveness of the Sri Lankan stock market to investors.

Moreover, the Colombo Stock Exchange recorded a remarkable increase in average daily turnover by 131.2 percent to Rs. 5,179.2 million at end-December 2025 from Rs. 2,240.2 million recorded at end-December 2024. This reflects an exceptional surge in trading activity, a substantial expansion of market liquidity, and enhanced investor confidence and participation. The total number of companies listed on the Colombo Stock Exchange increased to 288 at end-December 2025 from 284 companies recorded at end-December 2024.

Table 2.17 | Movements in the Capital Market

Indicators	2017	2018	2019	2020	2021	2022	2023	2024	2025
All Share Price Index (1985=100)	6,369	6,052	6,129	6,774	12,226	8,490	10,654	15,945	22,624
S&P SL 20 Index	3,672	3,135	2,937	2,638	4,233	2,636	3,068	4,862	6,157
Market Capitalization (Rs. Bn.)	2,899	2,840	2,851	2,961	5,489	3,847	4,249	5,696	8,069
No. of Listed Companies in Trading	296	297	289	283	296	290	290	284	288
Annual Turnover (Rs.Bn.)	221	200	171	397	1,173	687	411	538	1,233
Foreign Sales (Rs. Mn.)	94,627	100,316	68,272	104,165	86,665	36,863	37,088	58,492	95,559
Foreign Purchases (Rs. Mn)	112,285	77,077	56,538	52,889	34,016	67,488	41,451	48,013	56,931

Sources: Colombo Stock Exchange and Central Bank of Sri Lanka

03

Global Economic Developments

3.1 Overview[1]

The global economic outlook is once again surrounded by heightened uncertainty, stemming from the Middle East conflict that erupted at the end of February 2026, shortly after the trade barriers imposed in 2025. The conflict has affected countries to varying degrees, depending on their vulnerability to commodity price shocks, inflation expectations, and fiscal and monetary policy making. The Middle East conflict has disrupted energy markets and heightened volatility in global commodity prices, particularly crude oil and Liquified Natural Gas (LNG), thereby increasing primarily production and transportation costs worldwide. In addition, the continuation of protectionist trade measures and supply chain realignments is expected to dampen global investment flows. Against this backdrop, global economic growth is projected to moderate to 3.1 percent in 2026, a downward revision of 0.2 percentage points from the World Economic Outlook (WEO) January Projections and 3.2 percent in 2027, both slower than 3.4 percent recorded in 2025, according to the WEO report of April 2026. Meanwhile, global headline inflation is expected to be revised upward to 4.4 percent in 2026 before declining to 3.7 percent in 2027. These developments are expected to have adverse spillover effects on import-dependent developing economies such as Sri Lanka, through weaker export demand, a shrinking tourism sector, and lower remittances, volatile commodity prices, increased inflation, constrained capital flows, and tighter financial conditions.

In 2025, the global economy continues to face multiple headwinds, including renewed geopolitical disruptions, persistent inflationary pressures in certain sectors, and the lagged effects of past monetary tightening. Although inflation eased compared to peak levels, it remained above target in several economies, necessitating cautious monetary policy adjustments. Financial conditions have shown signs of gradual easing; however, uncertainty remained elevated. Regional growth disparities persisted, with Asia, particularly India and several ASEAN economies, continuing to demonstrate relative resilience, while growth in the Euro Area remains subdued amid energy market uncertainties and weak industrial activity. The escalation of geopolitical tensions in the Middle East, alongside ongoing conflicts in other regions, continued to weigh on global confidence, highlighting the limited scope for effective global policy coordination and the increasing tendency toward inward-looking economic policies.

[1] *Based on the World Economic Outlook 2026. International Monetary Fund, Global Financial Stability Report. International Monetary Fund, Fiscal Monitor 2026. International Monetary Fund, Commodity Markets Outlook. World Bank, Global Debt Report 2026, OECD*

3.2 World Output

The global economy grew by 3.4 percent in 2025, maintaining same growth rate recorded in 2024, reflecting moderating yet resilient economic activity. Growth in advanced economies remained subdued at 1.9 percent, largely constrained by high real interest rates, reduced fiscal support, and structural challenges such as ageing populations and weak productivity growth. In contrast, Emerging Market and Developing Economies (EMDEs) recorded stronger growth of 4.4 percent, supported by robust domestic demand, improved labour market conditions, and sustained investment flows, particularly in Asia. The United States maintained moderate growth of 2.1 percent, driven by resilient consumption and investment, while China's growth stood at 5.0 percent amid ongoing structural adjustments in the property sector and subdued external demand. Meanwhile, the Euro Area experienced sluggish growth of 1.4 percent, reflecting weak industrial output and continued energy-related uncertainties.

In the near term, global growth is projected to decline to 3.1 percent in 2026 from 3.4 percent in 2025, before recovering slightly to 3.2 percent in 2027, reflecting the combined effects of tighter financial conditions, trade fragmentation, and heightened geopolitical risks. The escalation of the Iran–Israel conflict and associated US involvement is expected to exert additional downward pressure on global growth through higher energy prices, increased uncertainty, and disruptions to key maritime corridors. Growth in advanced economies is projected to slow further to 1.8 percent in 2026 and 1.7 percent in 2027, reflecting the lagged effects of monetary tightening and weaker domestic demand. Growth in the United States

is expected to improve slightly to 2.3 percent in 2026 before moderating to 2.1 percent in 2027, while the Euro Area is projected to grow by 1.1 percent in 2026, with only a gradual recovery thereafter.

Growth in Emerging Market and Developing Economies (EMDEs) is projected to moderate to 3.9 percent in 2026 before strengthening to 4.2 percent in 2027, reflecting weaker external demand and tighter global financial conditions. Emerging and Developing Asia is expected to maintain relatively strong growth at 4.9 percent in 2026 and 4.8 percent in 2027, supported by robust domestic demand, although external headwinds and trade disruptions may weigh on export-oriented economies. China's growth is projected to slow from 5.0 percent in 2025 to 4.4 percent in 2026 and 4.0 percent in 2027, reflecting ongoing structural challenges, while India is expected to remain the fastest-growing major economy, with growth of 7.6 percent in 2025 moderating to 6.5 percent in both 2026 and 2027.

The Middle East and Central Asia region is expected to experience heightened volatility, with growth declining sharply to 1.9 percent in 2026 from 3.6 percent in 2025, before rebounding to 4.6 percent in 2027. While higher oil prices may benefit oil-exporting economies, escalating geopolitical tensions, supply disruptions, and increased uncertainty are expected to weigh on overall regional activity. Similarly, Sub-Saharan Africa is projected to grow steadily at 4.3 percent in 2026 and 4.4 percent in 2027. Latin America and the Caribbean are expected to experience moderate growth of 2.3 percent in 2026, improving to 2.7 percent in 2027.

Table 3.1 | A Snapshot of the World – 2025

	2025				
Country	**GDP Growth (Annual percent change)**	**Inflation (Percent)**	**Unemployment (Percent)**	**Fiscal Balance (Percent of GDP)**	**Gross Debt (Percent of GDP)**
Argentina	4.4	41.9	7.4	-0.4	80.3
Australia	2.0	2.9	4.2	-2.8	51.0
Brazil	2.3	5.0	6.0	-8.1	93.3
Canada	1.7	2.1	6.9	-1.8	113.5
Chile	2.3	4.2	8.5	-2.8	41.8
China	5.0	0.0	5.1	-7.9	99.2
France	0.9	0.9	7.6	-5.1	116.0
Germany	0.2	2.3	3.8	-2.7	62.9
Greece	2.1	2.9	8.9	1.3	145.7
India	7.6	2.1	4.9	-7.4	84.1
Indonesia	5.1	1.9	4.9	-2.9	41.0
Italy	0.5	1.6	6.1	-3.1	137.1
Japan	1.2	3.2	2.5	-1.1	206.5
Korea	1.0	2.1	2.8	-1.4	52.3
Malaysia	5.2	1.4	3.0	-3.5	70.7
Mexico	0.6	3.8	2.6	-4.9	61.8
Russia	1.0	8.7	2.2	-3.9	17.2
Singapore	5.0	0.9	2.0	4.2	171.3
South Africa	1.1	3.2	32.4	-5.8	78.6
Spain	2.8	2.7	10.5	-2.5	100.4
Sri Lanka	5.0	-0.5	3.9	-2.3	91.6
Thailand	2.4	-0.1	1.0	-1.9	64.7
United Kingdom	1.3	3.4	4.9	-5.4	102.3
United States	2.1	2.7	4.3	-6.8	123.9
Vietnam	8.0	3.3	2.2	-2.2	30.3
Venezuela	1.5	252.0	...	-5.8	308.7

Sources: Fiscal Monitor, IMF, April 2026, World Economic Outlook Report, April 2026
Annual Economic Review 2025, Central Bank of Sri Lanka
Department of Fiscal Policy
... Not available

Table 3.2 | World and Regional Output

Annual Percent Change

	Actual		Forecast	
	2024	2025	2026	2027
World Output	**3.4**	**3.4**	**3.1**	**3.2**
Advanced Economies	**1.8**	**1.9**	**1.8**	**1.7**
United States	2.8	2.1	2.3	2.1
Euro Area	0.9	1.4	1.1	1.2
Germany	-0.5	0.2	0.8	1.2
France	1.1	0.9	0.9	0.9
Italy	0.8	0.5	0.5	0.5
Spain	3.5	2.8	2.1	1.8
Japan	-0.2	1.2	0.7	0.6
United Kingdom	1.1	1.3	0.8	1.3
Canada	2.0	1.7	1.5	1.9
Emerging Market and Developing Economies	**4.5**	**4.4**	**3.9**	**4.2**
Emerging and Developing Asia	**5.4**	**5.5**	**4.9**	**4.8**
China	5.0	5.0	4.4	4.0
India	7.1	7.6	6.5	6.5
Indonesia	5.0	5.1	5.0	5.1
Malaysia	5.1	5.2	4.7	4.3
Thailand	2.9	2.4	1.5	2.1
Vietnam	7.0	8.0	7.1	6.7
Latin America and the Caribbean	**2.4**	**2.4**	**2.3**	**2.7**
Brazil	3.4	2.3	1.9	2.0
Emerging & Developing Europe	**3.8**	**2.0**	**2.0**	**2.1**
Russia	4.9	1.0	1.1	1.1
Middle East and Central Asia	**2.8**	**3.6**	**1.9**	**4.6**
Sub-Saharan Africa	**4.2**	**4.5**	**4.3**	**4.4**
South Africa	0.5	1.1	1.0	1.3
*Sri Lanka	5.0	5.0	....	....

Source: World Economic Outlook, IMF, April 2026
**Department of Census and Statistics*
... not applicable

Table 3.3 | Inflation at Average Consumer Prices

Annual Percent Change

	Actual		Forecast	
	2024	2025	2026	2027
World	**5.8**	**4.1**	**4.4**	**3.7**
Advanced Economies	**2.6**	**2.5**	**2.8**	**2.2**
United States	3.0	2.7	3.2	2.1
Euro Area	2.4	2.1	2.6	2.2
Germany	2.5	2.3	2.7	2.3
France	2.3	0.9	1.8	1.7
Italy	1.1	1.6	2.6	2.4
Spain	2.9	2.7	3.0	2.3
Japan	2.7	3.2	2.2	2.3
United Kingdom	2.5	3.4	3.2	2.4
Canada	2.4	2.1	2.5	2.1
Emerging Market and Developing Economies	**8.0**	**5.2**	**5.5**	**4.6**
Emerging and Developing Asia	**1.9**	**1.1**	**2.6**	**2.5**
China	0.2	0.0	1.2	1.5
India	4.6	2.1	4.7	4.0
Indonesia	2.3	1.9	3.0	2.6
Malaysia	1.8	1.4	1.9	2.0
Thailand	0.4	-0.1	0.9	1.0
Vietnam	3.6	3.3	4.9	4.6
Latin America and the Caribbean	**16.6**	**7.6**	**6.7**	**4.9**
Brazil	4.4	5.0	4.0	3.4
Emerging & Developing Europe	**17.2**	**13.5**	**10.5**	**8.2**
Russia	8.4	8.7	5.6	4.3
Middle East and Central Asia	**13.9**	**11.2**	**11.9**	**9.1**
Sub-Saharan Africa	**20.7**	**12.5**	**8.8**	**8.8**
South Africa	4.4	3.2	3.9	3.4
*Sri Lanka	1.2	-0.5	....	....

Source: World Economic Outlook, IMF, October 2025
World Economic Outlook, IMF, April 2026
**Department of Census and Statistics*
... not applicable

3.3 Global Inflation

Global headline inflation declined to 4.1 percent in 2025 after peaking during 2022-2023, reflecting the combined effects of tight monetary policies, easing supply chain pressures, and softer global demand. In advanced economies, inflation declined more sharply to 2.5 percent, moving closer to central bank targets, supported by moderating energy prices and improved supply conditions. However, in EMDEs, inflation remained relatively elevated at around 5.2 percent, driven by exchange rate pressures, food price volatility, and structural supply constraints.

Despite the overall disinflation trend, inflationary pressures persisted in certain sectors, particularly services, due to still-tight labour markets and wage adjustments in many advanced economies. Furthermore, the escalation of geopolitical tensions in the Middle East, particularly the Iran–Israel conflict and associated US involvement, introduced renewed volatility in global energy markets, placing upward pressure on fuel and transportation costs. Food prices also remained susceptible to climate-related disruptions, increased transportation costs, and trade restrictions, particularly in vulnerable regions.

However, global headline inflation is projected to rise to 4.4 percent in 2026 before declining to 3.7 percent in 2027, reflecting expected increases in energy and food prices. In advanced economies, inflation is expected to broadly align with target levels by 2026, while EMDEs are likely to experience a slower convergence due to structural constraints and

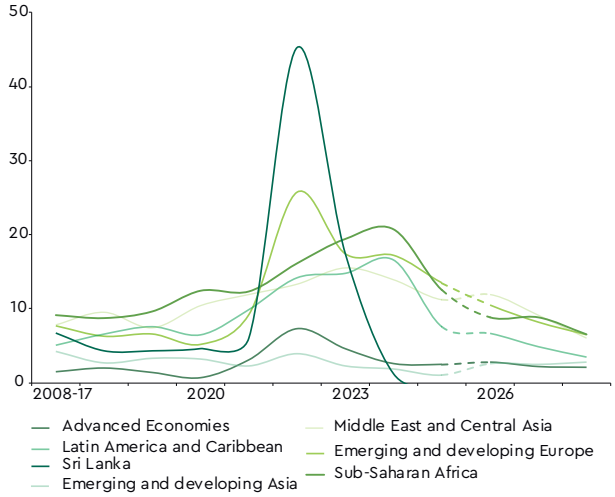
external vulnerabilities. Upside risks to inflation remain, particularly from potential energy price shocks and prolonged geopolitical tensions.

3.4 Interest Rates

The global monetary policy landscape in 2025 reflected a cautious transition from the tight policy stance adopted in previous years toward a more accommodative approach, as central banks balanced the need to support economic growth while ensuring price stability. With inflation gradually moderating, several major central banks, including the US Federal Reserve, the European Central Bank, and the Bank of England, initiated policy rate reductions during 2025. Nevertheless, policy rates remained relatively elevated in real terms, reflecting continued caution amid persistent inflation risks and heightened global uncertainty.

Figure 3.1 | Inflation at Average Consumer Prices

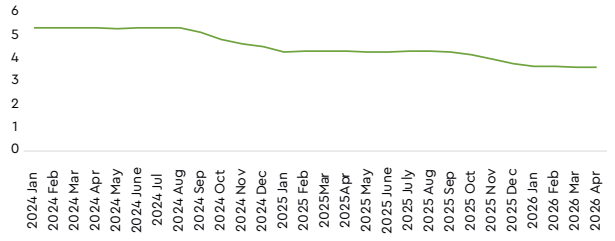
(Percent)



Source: World Economic Outlook, IMF, April 2026

Figure 3.2 | Secured Overnight Financing Rate (SOFR) (30 day average)

(Percent)



Source: Moneycafe.com

Global financial conditions began to ease moderately in 2025; however, long-term interest rates remained elevated due to higher term premiums, large sovereign borrowing requirements, and ongoing geopolitical risks. In particular, rising fiscal deficits and public debt levels, together with uncertainty stemming from geopolitical tensions, including the Iran–Israel conflict, contributed to continued volatility in global financial markets.

In the United States, long-term bond yields remained sensitive to inflation expectations, fiscal developments, and shifts in investor sentiment, while monetary policy easing proceeded cautiously in line with disinflation trends. In the Euro Area and the United Kingdom (UK), policy normalization also progressed gradually, reflecting weaker growth conditions and improving inflation dynamics. In contrast, many emerging market economies maintained relatively tight monetary policy settings in 2025 to manage exchange rate pressures, capital flow volatility, and inflation risks.

3.5 Fiscal Position

3.5.1 Fiscal Deficits

Fiscal deficits in 2025 remained elevated across most economies, reflecting persistent structural spending pressures and rising interest costs. The global fiscal deficit stood at 5.0 percent of GDP in 2025, highlighting limited progress in fiscal consolidation despite the recovery from pandemic-related shocks.

In advanced economies, fiscal deficits recorded 4.4 percent of GDP, while EMDEs averaged 5.9 percent of GDP, showing only modest improvement, with deficits remaining elevated due to sustained public spending, rising defence expenditures, and increasing interest payments. In the United States, the fiscal deficit narrowed to 6.8 percent of GDP in 2025 from 7.9 percent in 2024, supported in part by higher revenues, including tariff-related income, although underlying fiscal pressures remain significant.

In contrast, fiscal deficits in EMDEs' generally widened in 2025, reflecting both higher interest expenditures and weaker primary balances. For emerging markets excluding China, fiscal deficits widened to around 4.7 percent of GDP in 2025 from 4.3 percent of GDP in 2024,

driven mainly by rising borrowing costs and expansionary fiscal policies in some economies. Low-income developing countries continued to face significant fiscal challenges, including declining external financing, rising debt service obligations, and pressures from higher food and energy costs.

The fiscal deficit in Latin American countries widened to 5.2 percent of GDP in 2025 from 4.7 percent of GDP in 2024 and is expected to narrow to 4.7 percent of GDP in 2026. In contrast, the fiscal deficit in low-income developing countries declined to 2.8 percent of GDP in 2025 from 3.0 percent of GDP in 2024 and is expected to widen to 3.5 percent of GDP in 2026.

Table 3.4 | General Government Fiscal Balance: Overall Balance

As a % of GDP

	Actual		Forecast	
	2024	2025	2026	2027
World	**-5.1**	**-5.0**	**-5.2**	**-5.1**
Advanced Economies	**-4.9**	**-4.4**	**-4.8**	**-4.7**
Canada	-2.1	-1.8	-2.7	-2.5
Euro Area	-3.1	-3.0	-3.3	-3.4
France	-5.8	-5.1	-4.9	-4.8
Germany	-2.7	-2.7	-3.8	-4.2
Italy	-3.4	-3.1	-2.8	-2.6
Spain	-3.2	-2.5	-2.1	-2.3
Japan	-1.7	-1.1	-2.0	-2.4
United Kingdom	-6.1	-5.4	-3.9	-3.1
United States	-7.9	-6.8	-7.5	-7.4
Other Advanced Economies	**-0.5**	**-0.8**	**-1.1**	**-0.9**
Emerging Market and Developing Economies	**-5.4**	**-5.9**	**-5.8**	**-5.8**
Emerging Markets excl. China	-4.3	-4.7	-4.4	-4.1
Excluding MENA Oil Producers	-5.9	-6.3	-6.3	-6.2
Asia	-6.6	-7.1	-7.4	-7.4
China	-7.1	-7.9	-8.2	-8.4
India	-7.9	-7.4	-7.4	-7.3
Vietnam	-1.5	-2.2	-2.0	-1.6
Europe	-4.1	-4.7	-3.9	-4.1
Russian Federation	-1.6	-3.9	-2.0	-2.4
Latin America	-4.7	-5.2	-4.7	-4.1
Brazil	-6.2	-8.1	-7.7	-6.9
Mexico	-5.8	-4.9	-4.4	-3.5
MENA	-1.6	-3.1	-2.9	-2.3
Saudi Arabia	-2.5	-5.8	-3.5	-3.4
South Africa	-5.7	-5.8	-4.9	-4.3
Low-Income Developing Countries	-3.0	-2.8	-3.5	-3.2
Kenya	-5.7	-6.4	-6.4	-6.0
Nigeria	-1.3	-1.8	-4.4	-2.9
Oil Producers	**-0.7**	**-2.2**	**-1.4**	**-1.4**
Sri Lanka	**-6.8**	**-2.3**	**....**	**....**

Source: Fiscal Monitor, IMF, April 2026
Department of Fiscal Policy

Restoring fiscal sustainability remains a key policy priority in the medium term. However, the global fiscal outlook has deteriorated compared to previous assessments, with structural fiscal weaknesses, rising geopolitical tensions, and increasing protectionist policies contributing to persistent fiscal deficits. The Fiscal Monitor highlights that the global fiscal gap, the adjustment needed to stabilize debt, remains significant, leaving limited room for policy complacency.

3.5.2 Government Debt

Global government debt continued to rise in 2025, reflecting sustained fiscal deficits and higher borrowing costs. Global public debt increased to 93.9 percent of GDP in 2025, around 2 percentage points higher than in 2024, and is projected to continue rising over the medium term, potentially reaching 100 percent of GDP by 2029.

Advanced economies continued to account for the largest share of global debt, with debt levels remaining above 108 percent of GDP in 2025, reflecting long-standing structural pressures, including ageing populations, high public spending, and rising interest burdens. In contrast, while debt levels in emerging markets were relatively lower, vulnerabilities remained elevated due to exchange rate pressures, higher financing costs, and limited fiscal buffers.

Governments and companies expected to borrow USD 29 trillion globally from markets in 2026, which is nearly USD 4 trillion expansion compared to 2024 according to the Global Debt Report 2026 (OECD). The global debt stock is expected to increase further to 95.3 percent in 2026 and 97.2 percent in 2027, respectively, from 93.9 percent in 2025. The public debt-to-GDP ratio in advanced economies increased marginally to 108.0 percent in 2025 from 107.6 percent in 2024 and is expected to rise further to 108.2 percent in 2026. The government debt-to-GDP ratio in EMDEs increased to 73.9 percent in 2025 from 69.9 percent in 2024 and the ratio is expected to widen to 77.2 percent in 2026 and 80.2 percent in 2027.

The government debt-to-GDP ratio in Latin American countries increased to 74.2 percent in 2025 from 70.5 percent in 2024 and is expected

to ease to 73.2 percent in 2026. In contrast, the government debt-to-GDP ratio in low-income developing countries declined to 48.2 percent in 2025 from 50.5 percent in 2024 and is expected to decline further to 47.2 percent and 46.6 percent in 2026 and 2027, respectively.

Table 3.5 | General Government Gross Debt

As a % of GDP

	Actual		Forecast	
	2024	2025	2026	2027
World	**92.0**	**93.9**	**95.3**	**97.2**
Advanced Economies	**107.6**	**108.0**	**108.2**	**109.4**
United States	122.3	123.9	125.8	128.6
Euro Area	86.6	87.1	87.8	88.4
Germany	62.2	62.9	64.6	66.5
France	113.2	116.0	118.4	120.5
Italy	134.7	137.1	138.4	138.8
Spain	101.6	100.4	98.2	96.2
Japan	214.5	206.5	204.4	200.1
United Kingdom	99.9	102.3	103.6	104.1
Canada	110.0	113.5	110.7	109.5
Emerging Market and Developing Economies	**69.9**	**73.9**	**77.2**	**80.2**
Emerging and Developing Asia				
China	90.4	99.2	106.9	112.5
India	84.8	84.1	83.4	82.5
Indonesia	40.2	41.0	41.5	41.8
Malaysia	69.8	70.7	69.5	68.7
Thailand	62.9	64.7	66.8	67.8
Vietnam	31.2	30.3	29.8	29.0
Latin America	**70.5**	**74.2**	**73.2**	**74.1**
Brazil	87.0	93.3	96.5	100.0
Emerging & Developing Europe	**32.1**	**33.9**	**37.3**	**40.5**
Russia	14.8	17.2	19.1	21.2
MENA	**42.5**	**46.1**	**47.3**	**47.9**
Sub-Saharan Africa	**53.6**	**50.7**	**49.2**	**48.7**
South Africa	76.0	78.6	78.9	79.7
Sri Lanka	95.5	91.6	...	...

Source: Fiscal Monitor, IMF, April 2026
Department of Fiscal Policy

A key concern highlighted in the IMF Fiscal Monitor April 2026 is the rapid increase in interest payments, which have risen from around 2 percent of global GDP to nearly 3 percent in recent years, significantly constraining fiscal space. At the same time, the structure of sovereign debt markets is evolving as the central banks unwind their balance sheets, meaning that private and often more volatile sources of financing are becoming more important. This shift has heightened exposure to market sentiment and refinancing risks.

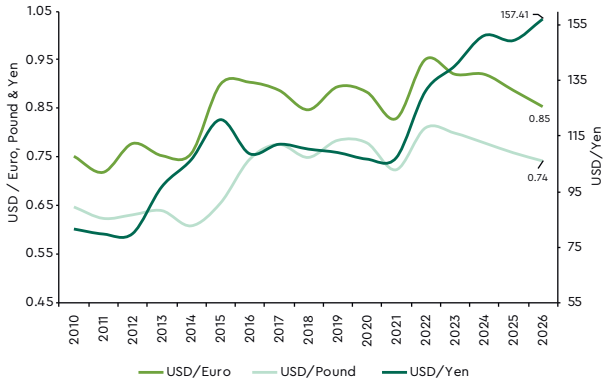
Global borrowing requirements remain substantial, and developments in major economies, particularly the United States and China, which together make up a large share of the rise in global debt, are having a significant bearing on debt dynamics. Debt levels are likely to continue rising given persistent primary deficits and rising interest costs, even with favourable growth-interest rate differentials prevail.

3.6 Currency Movements

Currency markets in 2025 were characterized by heightened volatility compared to the previous year, reflecting shifting monetary policy expectations and increased geopolitical uncertainty. The US dollar remained relatively strong during most of 2025, supported by still-elevated interest rates and safe-haven demand amid global uncertainty, although it showed signs of gradual moderation toward the latter part of the year as expectations of monetary easing strengthened.

Emerging market currencies experienced mixed performance. While some benefited from improved investor sentiment and resilient capital inflows, others remained under pressure due to external vulnerabilities, exchange rate depreciation pressures, and tighter global financial conditions. Commodity-exporting economies were partly supported by higher global commodity prices, particularly energy products, driven by geopolitical tensions which improved their terms of trade and supported foreign exchange inflows.

Figure 3.3 | Exchange Rates Against USD : 2010 – Jan – Apr 2026



Source : x-rates.com

3.7 World Trade

Global trade grew by 5.1 percent in 2025, up from 3.7 percent growth in 2024, reflecting front-loading of trade activity in anticipation of rising trade restrictions and tariffs. However, this strong performance is expected to be temporary; global trade volume growth projected to decline sharply to 2.8 percent in 2026 before recovering to 3.8 percent in 2027. Global trade continues to be shaped by structural shifts, including increasing trade fragmentation, reconfiguration of global supply chains, and rising protectionist measures.

In 2025, the volume of exports by advanced economies grew by 3.7 percent compared to 2.1 percent growth in 2024. The volume of exports by EMDEs grew by 7.4 percent compared to 6.6 percent in 2024. In 2025, the volume of imports by advanced economies grew by 4.7 percent compared to 2.2 percent growth in 2024, while the volume of imports by EMDEs grew by 5.7 percent compared to 6.0 percent in 2024.

The export volume growth in advanced economies is anticipated to decline to 2.5 percent in 2026 and 2.7 percent in 2027. Similarly, the export volume growth in EMDEs is anticipated to decline to 3.5 percent in 2026 before increasing to 5.4 percent in 2027. Further, the import volume growth in advanced economies is anticipated to decline to 2.6 percent in 2026 and 3.1 percent in 2027. In the same vein, the import volume growth in EMDEs is expected to decline to 2.7 percent in 2026 before increasing to 4.9 percent in 2027.

Table 3.6 | World Trade Volume

Annual Percentage Change

	Average 2008–2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Trade in Goods and Services											
World Trade Volume	3.2	4.0	1.2	-8.3	10.8	5.9	0.9	3.7	5.1	2.8	3.8
Volume of Exports											
Advanced Economies	2.8	3.5	1.5	-8.7	9.7	6.2	0.6	2.1	3.7	2.5	2.7
Emerging Market and Developing Economies	3.8	4.1	0.7	-6.6	12.7	4.5	1.4	6.6	7.4	3.5	5.4
Volume of Imports											
Advanced Economies	2.4	3.8	2.0	-8.1	10.1	7.5	-0.8	2.2	4.7	2.6	3.1
Emerging Market and Developing Economies	4.7	5.2	-0.5	-9.6	12.0	4.1	3.8	6.0	5.7	2.7	4.9

Source: World Economic Outlook, April 2026

Over the near-term forecast, exports of both goods and services are projected to decline as a share of global GDP, with the decline in services trade being considerably less pronounced. In addition, the reorganization of supply chains toward more geopolitically aligned partners. A practice known as 'friend-shoring', is expected to alter trade patterns without necessarily reducing overall trade volumes in the long term. Over the medium term, global imbalances are expected to decline modestly. Expansionary fiscal policies in some surplus economies may contribute to this adjustment, although this effect could be partially offset by increased investment linked to technological transformation and supply chain restructuring. Overall, the global trade outlook remains subject to significant downside risks, particularly from further escalation of trade tensions, geopolitical fragmentation, and disruptions to key shipping routes.

3.8 World Commodity Market

3.8.1 Energy Prices

Energy prices followed a downward trend in 2025, reflecting easing global demand and expanded supply, although volatility remained elevated amid geopolitical developments. The energy price index fell to 90.0 points in 2025 from 101.5 points in 2024. Brent crude oil prices declined to an average of USD 69.0 per barrel in 2025 from USD 80.7 per barrel in 2024, driven by higher supply and subdued global demand. However, global energy markets experienced

significant disruptions amid escalating tensions in the Middle East. The Middle East conflict has disrupted oil supply chains and exerted upward pressure on global energy prices. This is mainly attributable by the near seizer of the shipping route across the Strait of Hormuz. According to the World Bank's Commodity Market Outlook (CMO), the reduction in global oil supply is estimated at around 10 million barrels per day, the highest on record. Accordingly, Brent crude oil price increased sharply to USD 118 per barrel at end-March 2026 from USD 72 per barrel at end-February 2026, marking the largest single-month increase on record. The World Bank projects average Brent crude oil price at USD 86 per barrel in 2026 under this scenario, significantly higher than earlier projections, reflecting continued supply uncertainties and disruptions to shipping through the Strait of Hormuz, through which nearly 35 percent of global seaborne crude oil trade passes. Under a worst-case scenario, average Brend crude oil prices are expected to range from USD 95 to 115 per barrel, according to the CMO April 2026 report.

Natural gas prices exhibited mixed trends across regions in 2025. In Europe, natural gas prices remained stable at USD 12.0 per million British thermal units (MMBtu) in 2025, compared to USD 11.0 per MMBtu in 2024. In Japan, natural gas prices declined to USD 12.0 per MMBtu in 2025, declining from USD 12.8 per MMBtu in 2024. In contrast, natural gas prices in the US increased to USD 3.5 per MMBtu in 2025 from USD 2.2 per MMBtu in 2024, supported by stronger domestic demand.

Table 3.7 | Price Indices (2010=100)

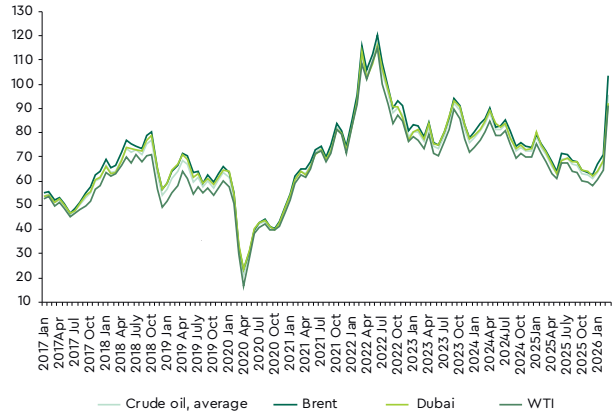
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Energy	66.1	56.0	69.4	89.4	78.3	52.7	95.4	152.6	106.9	101.5	90.0	111.3
Non-Energy	81.6	79.4	83.7	85.1	81.6	84.1	112.1	122.1	110.2	112.5	115.4	118.7
Agriculture	87.9	87.5	87.0	86.6	83.1	87.1	107.7	119.3	110.9	115.0	115.7	109.3
Beverages	94.0	91.3	83.1	79.1	76.1	80.4	93.5	106.3	107.8	176.4	207.3	144.8
Food	88.5	89.6	90.2	90.5	87.0	93.1	120.9	138.1	125.4	115.8	109.2	111.9
Oils and Meals	84.4	88.3	87.6	85.0	77.5	89.8	127.1	145.2	118.9	106.9	104.5	109.0
Grains	87.1	80.7	80.6	88.8	89.0	95.4	123.8	150.4	133.0	112.9	101.3	103.7
Other Food	95.1	99.5	102.4	99.1	97.7	95.5	110.2	117.7	127.2	130.4	122.7	123.1
Raw Materials	83.3	80.2	81.0	80.9	77.3	75.8	82.9	80.3	77.1	81.6	84.9	84.9
Fertilizers	98.4	77.7	74.3	82.5	81.4	74.6	152.3	235.7	153.5	117.6	138.7	181.3
Metals and Minerals	66.9	63.0	78.2	82.5	78.4	79.2	116.4	115.0	104.0	106.7	112.2	130.8
Precious Metals	90.6	97.5	97.8	97.2	105.4	133.5	140.2	136.8	147.3	180.2	258.6	368.3

Source: Commodity Markets Outlook, World Bank, April 2026

However, with the blockade of the Strait of Hormuz has intensified competition in global LNG markets, as about 20 percent of global LNG trade passes through the Strait of Hormuz. Buyers have competed intensely to secure LNG amid tightening supplies. Hence, European natural gas prices rose sharply in March 2026 to levels not observed since early 2023, while Asian LNG benchmark prices recorded a significant increase amid intense competition for limited supplies.

European natural gas prices are expected to surge by 25 percent in 2026, before easing to 20 percent in 2027, as supply disruptions gradually subside. In contrast, US natural gas prices remained relatively stable owing to the well-developed domestic pipeline networks, although prices are expected to increase moderately amid stronger demand and expanding LNG exports.

Figure 3.4 | Crude Oil Prices: 2017 – Apr 2026
(USD/bbl)



Source: Commodity Markets Outlook, World Bank, April 2026

3.8.2 Agricultural Prices

Agricultural commodity prices remained broadly stable in 2025, following the easing of supply-side pressures in 2024. Improved harvest conditions, declining fertilizer costs, and normalizing freight rates contributed to moderate price movements. However, prices remained vulnerable to climate risks, including heatwaves and El Niño-related disruptions, which continued to pose localized threats to agricultural production.

The agricultural price index increased marginally to 115.7 in 2025 from 115.0 in 2024, and is projected to decline to 109.3 in 2026. Agriculture raw materials price index increased by 2.0 percent in the first quarter of 2026, mainly attributable to gains in natural rubber prices. The index is expected to remain stable throughout 2026 before declining by almost 3 percent in 2027, reflecting improved supply conditions.

Wheat and maize productions are projected to edge down in 2026–2027 after improving supply conditions and a rise in stocks-to-use ratio in 2025–2026. Accordingly, both wheat and maize prices are projected to increase by 4 percent in 2026.

While agricultural prices are projected to moderate in 2026 under the baseline scenario, the increasing frequency and severity of extreme weather events continue to pose risks to agricultural supply conditions and may exert upward pressure on food prices over the medium term. In addition, geopolitical tensions and trade-related disruptions pose uncertainty for global agricultural markets.

3.8.3 Metal and Mineral Prices

Prices of metals and minerals increased in 2025, following the moderate increase observed in 2024, reflecting robust demand for industrial metals amid supply constraints in key producing economies. The metal and mineral price index increased by 5.5 percentage points to 112.2 points in 2025, from 106.7 points in 2024 and is projected to increase further to 130.8 points in 2026 before moderating in 2027.

The rise in metals and minerals prices was mainly attributable to increased demand for copper, aluminum, tin and zinc, driven by the global energy transition, expansion of renewable energy capacity, electric vehicle production, and increased investment in data centers and related infrastructure. Despite the overall increase, prices of some critical minerals, including iron ore, lead and nickel, recorded declines, reflecting slower growth in China's construction sector.

In contrast, precious metals experienced strong price increases in 2025, driven by elevated geopolitical uncertainty and increased safe-haven demand. Gold prices increased significantly by 44.1 percent to USD 3,442 per troy ounce (toz) in 2025, from USD 2,388 toz in 2024, and are projected to increase to USD 4,700 per toz in 2026 before easing in 2027. The increase was further supported by financial market uncertainty and continued central bank purchases, with prices remaining well above historical averages.

Similarly, silver prices increased due to both investment demand and expanding industrial use in renewable energy and electronics sectors. Platinum prices were underpinned by supply constraints in key producing economies and steady industrial demand. Looking ahead, the metals and minerals price index is projected to decline by 7 percent in 2027 relative to 2026 levels, reflecting easing the supply conditions, according to the World Bank CMO.

3.9 Look Forward: Implications for Sri Lanka

Global economic developments in 2025 presented a mixed outlook for Sri Lanka, with both emerging opportunities and heightened vulnerabilities arising from escalating geopolitical tensions, particularly the Middle East conflict. While earlier expectations anticipated easing global inflation and improving financial conditions, the intensification of the conflict has adversely affected Sri Lanka's external sector through several key channels. In particular, the decline in tourist arrivals and inward remittances from the Middle East, together with higher energy import costs, has placed renewed pressure on the balance of payments and domestic price stability.

Notwithstanding these pressures, evolving global demand conditions and trade disruptions have created an increasingly challenging environment for Sri Lanka's export sector. Key export industries, particularly apparel and tea, have experienced some moderation in growth, reflecting softer external demand and increased uncertainty in major markets. However, Sri Lanka's established position in global value chains, together with ongoing efforts to diversify export markets and enhance product competitiveness, is expected to provide a measure of resilience. In addition, continued demand for necessity goods and specialized products, along with gradual improvements in global trade conditions over the medium term, is likely to support a recovery in export performance.

A further external challenge arises from the tariff imposed by the US United States on selected Sri Lankan exports in 2025. Importantly, through diplomatic engagement by the Government of Sri Lanka, the initially proposed tariff of 44 percent was successfully reduced to around 20 percent, thereby substantially mitigating the adverse impact on the external sector. While the revised tariff level may still exert some pressure on price competitiveness, particularly in the apparel sector, it represents a considerable easing of external constraints relative to the originally proposed tariff rate.

Sri Lanka's export sector is expected to navigate these pressures through continued market diversification, enhanced productivity, and increased value addition. In addition, well-established trade relationships, adherence to international standards, and ongoing policy support are likely to mitigate the overall impact and underpin export sector recovery over the medium term.

In response to these challenges, the Government of Sri Lanka has intensified efforts to mitigate external vulnerabilities, including diplomatic engagement with key trading partners, diversification of export markets, and strengthening trade and investment linkages with emerging regions, particularly Asia. In addition, policy measures aimed at enhancing export competitiveness, promoting tourism recovery, and facilitating remittance inflows remain essential to sustaining external sector stability. However, given the scale and persistence of external shocks, these measures may yield results gradually, necessitating sustained and coordinated macroeconomic policy support.

Overall, the evolving global environment underscores the heightened vulnerability of small open economies such as Sri Lanka to external shocks. Heavy reliance on a concentrated set of export products, tourism markets, and remittance sources increases exposure to geopolitical disruptions and global demand fluctuations. These structural vulnerabilities highlight the urgent need for Sri Lanka to diversify its export base, expand into new markets, strengthen domestic value addition, and build external buffers. Enhancing economic resilience through prudent macroeconomic management, structural reforms, and improved competitiveness will be essential for sustaining stability and supporting long-term growth in an increasingly complex and interconnected global economy.

PART II

Final Budget Position

04

Government Revenue

4.1. Overview

In 2025, the Government continued its fiscal consolidation process while advancing critical fiscal structural reforms. The government revenue and fiscal balances exceeded the budgeted targets driven by higher revenue collections from motor vehicles, VAT on domestic activities, taxes on external trade and a slower pace of capital expenditure implementation.

The hard-earned gains from the fiscal reforms have further strengthened the fiscal consolidation process, as reflected in the following key outcomes:

(i) The tax revenue-to-GDP ratio rose to 15.4 percent in 2025, up from 7.3 percent in 2022—the highest level recorded since 1997;

(ii) A primary surplus of 5.4 percent was achieved in 2025, compared to the primary deficit of 3.7 percent in 2022;

(iii) A current account surplus of 0.7 percent of GDP was recorded in 2025, marking the first time in the country's history; and

(iv) The fiscal deficit narrowed to 2.3 percent of GDP in 2025, down from 10.2 percent in 2022.

In nominal terms, government revenue including grants increased significantly by 34.1 percent to Rs. 5,485.6 billion in 2025 from Rs. 4,090.8 billion in 2024. This significant expansion in total government revenue was primarily driven by growth in Value Added Tax (VAT) collections. The revenue from VAT rose by 33.4 percent to Rs. 1,746.9 billion in 2025, from Rs. 1,309.7 billion in 2024. This increase is mainly attributed to improved domestic consumption, enhanced taxpayer compliance, higher revenue from VAT on financial services, and the inclusion of motor vehicles in the VAT net.

Excise Duty was also a major contributor to overall revenue performance in 2025. With the exception of excise duty on cigarettes, revenue collection from Excise Duty, recorded a positive growth across all subcategories during the year. Notably, revenue from Excise Duty on motor vehicles more than doubled its annual target for 2025, reflecting the relaxation of the temporary import suspension that had been in place since 2020. Following the resumption of vehicle imports in February 2025, revenue from Excise Duty on motor vehicles rose significantly by Rs. 413.2 billion, from Rs. 58.6 billion in 2024 to Rs. 471.8 billion in 2025. Revenue from Excise Duty on petroleum increased by 20.2 percent to Rs. 240.6 billion in 2025 from Rs. 200.2 billion in 2024 while the revenue from Excise Duty on liquor grew by 8.5 percent to Rs. 231.5 billion in 2025, from Rs. 213.4 billion in 2024. In contrast, the revenue from Excise Duty on cigarettes declined by 13.2 percent to Rs. 102.7 billion in 2025 from Rs. 118.3 billion in 2024.

Revenue from income tax surpassed Rs.1 trillion for the second consecutive year in 2025, reaching Rs. 1,139.4 billion, up from Rs. 1,026.2 billion in 2024. This represents a year-on-year growth of 11.0 percent and a realization of 97.6 percent of the revenue estimate for 2025. This fiscal performance was attributable to targeted rate increases from 40 percent to 45 percent in liquor, tobacco and betting and gaming sectors, a broadening of the taxable base driven by rising nominal salaries in both the public and private sectors, and the introduction of a 15 percent income tax on service exports to capture revenue from the growing digital economy. The achievement of 97.6 percent of the revenue target reflects a significant improvement in tax administration and an overall strengthening of taxpayer compliance.

Similarly, revenue from the Social Security Contribution Levy (SSCL) increased by 17.4 percent to Rs. 294.5 billion in 2025, from Rs. 250.9 billion in 2024, achieving 111.6 percent of the estimate for the year. This growth was mainly driven by the full-year impact of the reduction in the registration threshold from Rs. 120 million per annum to Rs. 60 million per annum, effective from January 01, 2024.

Revenue from taxes on external trade increased by 49.1 percent to Rs. 711.7 billion in 2025 from Rs. 477.5 billion in 2024, driven by the growth in revenue from Ports and Airports Development Levy (PAL), Special Commodity Levy (SCL), Customs Import Duty (CID) and CESS. Revenue from CID significantly increased by 148.2 percent to Rs. 275.9 billion in 2025, from Rs. 111.1 billion in 2024, mainly due to the imposition of CID on motor vehicles during the year. The revenue from SCL exceeded its estimate for 2025 by

30.6 percentage points, recording a growth of 42.9 percent to Rs. 164.6 billion in 2025 from Rs. 115.2 billion in 2024. This was mainly attributable to the upward revision of duty rates on sugar, B' Onions and potatoes.

Revenue from non-tax sources increased by 22.7 percent to Rs. 400.2 billion in 2025, from Rs. 326.3 billion in 2024 driven primarily by higher receipts from sales and charges.

Table 4.1 | Summary of Government Revenue

Rs. Million

Item	2022	2023	2024	2025[a]
Total Revenue and Grants	**2,012,589**	**3,074,324**	**4,090,808**	**5,485,552**
Total Revenue	**1,979,184**	**3,048,822**	**4,030,838**	**5,449,402**
Tax Revenue	1,751,132	2,720,563	3,704,577	5,049,192
Income Tax	534,021	911,355	1,026,199	1,139,373
Taxes on Goods and Services	875,995	1,420,089	2,200,890	3,198,100
Taxes on External Trade	341,116	389,118	477,488	711,718
Non Tax Revenue	228,052	328,259	326,261	400,210
Grants	**33,405**	**25,502**	**59,970**	**36,150**
As a % of GDP				
Revenue and Grants	**8.4**	**11.2**	**13.6**	**16.7**
Total Revenue	**8.2**	**11.1**	**13.4**	**16.6**
Tax Revenue	7.3	9.9	12.3	15.4
Non Tax Revenue	0.9	1.2	1.1	1.2
Grants	**0.1**	**0.1**	**0.2**	**0.1**

Source: Department of Fiscal Policy
[a] Provisional

4.2 Tax Policy Reforms

In 2025, Sri Lanka maintained its fiscal consolidation path under the Extended Fund Facility of the International Monetary Fund (IMF-EFF), focusing on correcting structural imbalances while navigating unforeseen external shocks. The year was characterized by a delicate balancing act of providing targeted relief to the public while broadening the tax base through modernized tax administration.

Key tax policy measures undertaken in 2025 included the revision of personal income tax thresholds and rates with a view to providing relief to individual taxpayers. The annual tax-free threshold was increased from Rs. 1,200,000 per annum to Rs. 1,800,000 per annum, effective from April 01, 2025. In parallel, the Corporate Income Tax (CIT) rate applicable on the gains and profits from the manufacture and sale of liquor, tobacco, and betting and gaming was revised upwards from 40 percent to 45 percent. Additionally, a new CIT rate of 15 percent was introduced for income earned in foreign currency and repatriated to Sri Lanka through a licensed bank, covering both professional services rendered to overseas clients and other foreign income.

In addition to the income tax measures introduced, 2025 brought reforms to VAT, SSCL and Excise Duties. The Simplified Value Added Tax System (SVAT), was also repealed with effect from October 1, 2025. This reform, which is a key structural benchmark under the IMF-EFF programme, aims to minimise revenue leakage and administrative complexity. The SVAT system has been replaced by a modern, Risk-Based Refund Scheme (RBRS).

Table 4.2 | AIT/WHT rates

Category	Rate (%)	Final/Non-Final
Dividend	15	Final
Interest or discount paid	10	Non-Final
Rent payment exceeding Rs. 100, 000 per month	10	Non-Final
Service Payments exceeding Rs. 100,000 made to individuals such as professionals	5	Non-Final
In all other cases	14	Non-Final
Non residents	14	Non-Final

Source: Department of Fiscal Policy

In line with the registration threshold reductions introduced in 2024, the SSCL registration threshold will be further reduced from Rs. 60 million per annum to Rs. 36 million per annum effective from July 01, 2026. The measure is expected to broaden the base of liable entities and enhance revenue potential.

In 2025, Excise tax duty rates on all excisable articles with unit rates were revised upward by 5.9 percent, based on the annual inflation-adjusted indexation mechanism first introduced in 2024. Additionally, Excise duty on electric vehicles was increased by 100 percent, effective from February 01, 2025.

Although the late-November landfall of cyclone Ditwah necessitated a swift reallocation of resources toward emergency recovery, including a Rs. 500 billion supplementary budget allocation for 2026, the foundational strength of the revenue performance in 2025 ensured that these fiscal measures remained sustainable without compromising Sri Lanka's long-term fiscal consolidation targets.

4.3 Government Revenue Performance

Total government revenue including grants increased significantly by 34.1 percent to Rs. 5,485.6 billion in 2025 compared to Rs. 4,090.8 billion in 2024, surpassing the Budget Estimate by 9.9 percentage points. As a percentage of GDP, revenue including grants rose by 3.2 percentage points to 16.7 percent in 2025 compared to 13.6 percent in 2024. This was mainly driven by a substantial increase in tax revenue, which grew by 36.3 percent to Rs. 5,049.2 billion in 2025, from Rs. 3,704.6 billion in 2024, largely attributable to higher tax revenue collections from motor vehicles following the removal of import restrictions, and from VAT on domestic activities.

In 2025, tax revenue rose to 15.4 percent of GDP, a notable increase of 3.1 percentage points compared to the 12.3 percent recorded in the previous year, marking the highest tax-to-GDP ratio since 1997. Revenue collections from VAT, the largest contributor to total tax revenue, grew by 33.4 percent to Rs. 1,746.9 billion in 2025 compared to Rs. 1,309.7 billion in 2024. As a percentage of GDP, VAT revenue increased by 1.0 percentage point to 5.3 percent in 2025. This strong performance was primarily driven by higher revenue from imports, particularly from motor vehicles, alongside the recovery of domestic economic activity. VAT revenue from imports increased by 49.2 percent to Rs. 891.4 billion, while VAT revenue from domestic activities increased by 20.1 percent to Rs. 855.5 billion in 2025. Revenue from motor vehicle related taxes including Excise Duty, VAT, CID, Luxury Motor Vehicle Tax rose to 2.8 percent of GDP.

Revenue collected from Income Tax increased by 11.0 percent to Rs. 1,139.4 billion in 2025 compared to Rs. 1,026.2 billion in 2024. In 2025, a series of revenue measures were introduced and implemented, contributing positively to the growth in income tax collections: (i) the revision of the corporate income tax rate on liquor, tobacco, and betting and gaming industries from 40 percent to 45 percent; (ii) the introduction of 15 percent of income tax on export of services;(iii) the increase of the Withholding Tax (WHT) rate on interest income from 5 percent to 10 percent; and (iv) 19.2 percent increased in the number of registered income taxpayers to 1,302,596 files in 2025, from 2024, reflecting improvements in tax administration.

Revenue form Excise Duty rose by 1.2 percentage points to 3.2 percent of GDP in 2025, from 2.0 percent of GDP in 2024, reflecting higher revenue from motor vehicles imports coupled with upward revisions to Excise Duty rates on excisable articles following the implementation of inflation-adjusted indexation. Despite a decline in Excise Duty revenue from cigarettes, revenue collection from liquor, petroleum and

other excisable articles contributed positively to overall revenue.

Revenue from CID increased by 0.5 percentage points to 0.8 percent of GDP in 2025, mainly due to the higher revenue collection from the import of motor vehicles. In nominal terms, CID revenue grew by 148.2 percent to Rs. 275.9 billion in 2025 compared to Rs. 111.1 billion in 2024. Furthermore, increases in revenue from SSCL (by 17.4 percent to Rs. 294.5 billion), SCL (by 42.9 percent to Rs. 164.6 billion), PAL (by 6.4 percent to Rs. 180.9 billion) and CESS (by 11.4 percent to Rs. 90.4 billion) positively contributed to overall tax revenue performance.

Figure 4.1 | Government Revenue

(Rs. Billion)

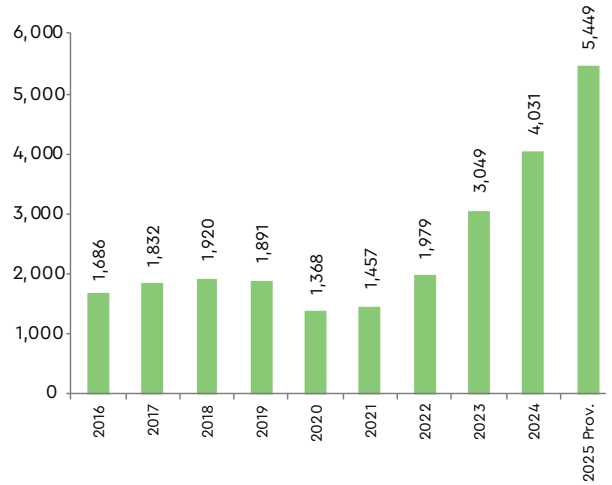
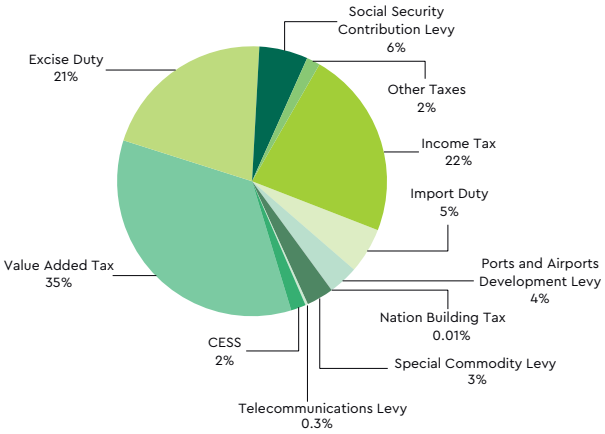


Figure 4.2 | Composition of Tax Revenue – 2025



Source: Department of Fiscal Policy

Table 4.3 | Estimated and Actual Revenue – 2025

Rs. Million

Item	Revenue Estimate	Provisional	Deviation
Total Revenue	**4,960,000**	**5,449,402**	**489,402**
Tax Revenue	**4,590,000**	**5,049,192**	**459,192**
Department of Inland Revenue			
Tax on Income and Profit	1,167,000	1,139,373	-27,627
VAT – Domestic (Net)	825,000	855,485	30,485
Nation Building Tax (Domestic)	–	81	81
Social Security Contribution Levy (Domestic)	190,000	221,906	31,906
Other	13,220	17,797	4,577
Sub Total	**2,195,220**	**2,234,641**	**39,421**
Department of Customs			
Import Duty	240,000	275,894	35,894
VAT – Imports (Net)	790,000	891,390	101,390
Nation Building Tax (Import)	–	407	407
Social Security Contribution Levy (Import)	74,000	72,614	-1,386
PAL	185,000	180,853	-4,147
Cess Levy	100,000	90,373	-9,627
Special Commodity Levy	126,000	164,599	38,599
Excise Special Provisions			
Cigarettes	130,000	101,173	-28,827
Petroleum	230,000	240,575	10,575
Motor Vehicles & other	239,000	483,872	244,872
Other	1,032	2,278	1,246
Sub Total	**2,115,032**	**2,504,027**	**388,995**
Department of Excise			
Liquor/Tobacco	242,000	233,087	-8,913
Sub Total	**242,000**	**233,087**	**-8,913**
Other			
Telecommunication Levy	18,000	15,127	-2,873
License Tax & Other	19,748	62,310	42,562
Sub Total	**37,748**	**77,437**	**39,689**
Non – Tax Revenue	**370,000**	**400,210**	**30,210**

Source: Department of Fiscal Policy

Revenue collected by Sri Lanka Customs rose significantly to Rs. 2,504.0 billion in 2025 from Rs. 1,523.8 billion in 2024, surpassing the annual estimate by Rs. 389.0 billion. In the same vein, revenue collected by the Department of Inland Revenue increased to Rs. 2,234.6 billion in 2025, from Rs. 1,937.8 billion in 2024, exceeding the annual estimate by Rs. 39.4 billion. In contrast, the Excise Department recorded revenue of Rs. 233.1 billion in 2025, falling short of its annual estimate by Rs. 8.9 billion.

Reflecting the implementation of tax policy reforms, administrative improvements, and the expansion of domestic economic activity, revenue from domestic consumption-based taxes grew by 15.0 percent to Rs. 1,423.9 billion in 2025, from Rs. 1,238.6 billion in 2024. Similarly, import-based tax revenue recorded a notable increase of 70.8 percent, rising to Rs. 2,388.5 billion in 2025 from Rs. 1,398.1 billion in 2024, driven mainly by revenue from motor vehicle imports alongside a 14.0 percent increase in the total import bill to USD 21,480 million in 2025.

Non-tax revenue increased by 22.7 percent to Rs. 400.2 billion in 2025, from Rs. 326.3 billion in 2024. This growth was mainly driven by notable increases across several subcategories: profits and dividends rose by 37.6 percent to Rs. 56.5 billion; interest income increased by 24.7 percent to Rs. 72.0 billion; social security contributions grew by36.4 percent to Rs. 58.8 billion; and fines, fees, and charges increased by 16.9 percent to Rs. 180.9 billion. These gains collectively reflect improved economic conditions and strengthened administrative collections during the year.

Income Tax

Revenue from Income Tax increased by 11.0 percent to Rs. 1,139.4 billion in 2025, from Rs. 1,026.2 billion in 2024, achieving 97.6 percent of the annual estimate for the year. As a percentage of GDP, Income Tax revenue increased marginally by 0.1 percentage points to 3.5 percent in 2025, from 3.4 percent in 2024.

Revenue from personal and corporate taxes increased by 11.8 percent to Rs. 963.6 billion in 2025, from Rs. 862.2 billion in 2024. This was mainly attributable to an increase in corporate income receipts by 16.0 percent to Rs. 677.7 billion in 2025, reflecting the upward revision of the Corporate Income Tax (CIT) rate from 40 percent to 45 percent for the liquor, tobacco, betting, and gaming industries, effective from April 1, 2025, alongside the introduction of a 15 percent tax on income earned from the export of services. Personal Income Tax also increased by 5.4 percent to Rs. 84.8 billion, largely supported by rising wage levels, including the upward adjustment of minimum wages in the private sector effective from April 2025 and the salary revision in the public sector effective from January 2025. Revenue from Advance Personal Income Tax (APIT)/Pay-As-You-Earn (PAYE) receipts increased modestly by 1.8 percent to Rs. 201.1 billion, reflecting the combined effect of the increase in the tax-free threshold for personal income tax from Rs. 1.2 million per annum to Rs. 1.8 million per annum and the broadening of the 18 percent tax bracket both effective from April 1, 2025.

Revenue from WHT increased by 7.3 percent to Rs. 175.8 billion in 2025, from Rs. 163.8 billion in 2024, achieving 76.4 percent of the annual estimate for the year. This growth was mainly driven by the increase in the WHT rate on interest income from 5 percent to 10 percent, effective from April 2025, notwithstanding the introduction of a self-declaration mechanism to exempt WHT deductions on interest income from bank accounts for individuals whose income falls below the personal income tax threshold.

Administrative improvements, underpinned by enhanced compliance efforts and digitalisation initiatives, also supported the expansion of the taxpayer base, with new registrations for Corporate Income Tax (CIT) increasing by 24.9 percent and new registrations for Personal Income Tax (PIT) rising by 18.7 percent in 2025.

Box 4.1 | Phasing out CESS: Transforming Sri Lanka's Trade Landscape

Sri Lanka is undertaking a major reform of its tariff structure through the phased removal of the CESS levy under the Export Development Act, No. 40 of 1979. This reform marks a decisive shift from a complex, protection-oriented regime toward a simpler, more transparent, and globally competitive trade framework.

For years, CESS functioned as both a revenue source and a protective tool for domestic industries. However, its expansion—alongside other para-tariffs—has led to a fragmented tariff structure, increasing the cost of imported inputs and weakening export competitiveness. It has also reduced transparency and predictability in trade policy.

Recognizing these challenges, the Government has initiated a phased reform to rationalize tariffs, reduce production costs, and promote export-led growth.

Policy Framework and Implementation

The reform was introduced under Budget Proposal No. 34.6 of 2023 and implemented through Gazette No. 2325/06. It was further strengthened under Budget Proposal No. 35.3 of 2026, which removed CESS on fabrics while introducing VAT to maintain competitive neutrality.

With Cabinet approval on 03 March 2026, Gazette No. 2479/38 formalized the phased removal of CESS on 2,634 HS codes over four years, aligned with commitments under the World Bank's Development Policy Operation (DPO).

The classification follows the UN Broad Economic Categories (BEC), ensuring consistency across capital, intermediate, and consumption goods.

CESS Phase – Out Schedule						
S/N	**Type Of Goods**	**HS Lines**	**2026**	**2027**	**2028**	**2029**
1	Marginal Rates (<5%)	46	100%	–	–	–
2	Intermediate And Capital Goods	693	50%	25%	25%	–
3	Sensitive Intermediate And Capital Goods	107	–	25%	25%	50%
4	Fabrics	265	100%	–	–	–
5	Consumption Goods	1,523	–	–	–	100%
	Total	**2,634**				

Data Source: Department of Trade and Investment Policy

Economic Impact of the Reform

1. Local Manufacturers
Removal of CESS on inputs and machinery reduces production costs, enabling improved efficiency, technology adoption, and product quality. However, increased competition from imports may pressure less competitive firms.

2. Importers
Lower duties reduce import costs and expand business opportunities. However, increased market entry may intensify competition and compress margins.

3. Exporters
Exporters benefit significantly from reduced input costs, improving price competitiveness in global markets and supporting export growth and diversification.

4. Consumers
Consumers gain from lower prices, improved quality, and a wider variety of goods due to increased competition

Box 4.1 | Phasing out CESS: Transforming Sri Lanka's Trade Landscape contd....

Safeguarding Domestic Industries

As Sri Lanka liberalizes trade, it has strengthened WTO-consistent safeguards to protect domestic industries from unfair practices.

1. Trade Remedies

Under the Anti-Dumping and Countervailing Duties Act, No. 2 of 2018: and regulations have already been published by Gazette Extraordinary Notification No.2429/32 dated 27.03.2025.

- Anti-dumping measures address imports sold below fair value
- Countervailing duties offset foreign subsidies

These measures ensure fair competition without restricting legitimate trade.

2. Standards and Technical Regulations

Strengthened product standards and certification—implemented by the Sri Lanka Standards Institution—ensure quality and safety of imports.

- Mandatory certification for key products
- Testing and inspection at borders
- Rejection of substandard goods

These measures protect consumers while maintaining fair competition.

3. Institutional Coordination

Key institutions—including the Ministry of Finance, Planning and Economic Development, Ministry of Industry and Entrepreneurship Development, Department of Trade and Investment Policy, and Department of Import and Export Control, Sri Lanka Standard Institution and Sri Lanka Customs are working together to strengthen enforcement and align regulations with international standards.

A Strategic Policy Shift

The phased removal of CESS reflects a transition from broad tariff protection to targeted, rules-based trade policy instruments. It enhances:

- Transparency and predictability
- Ease of doing business
- Export competitiveness
- Integration into global value chains

At the same time, strengthened safeguards ensure domestic industries remain protected from unfair trade practices.

Conclusion

The CESS phase-out is a critical step in modernizing Sri Lanka's trade regime. By lowering costs, improving efficiency, and aligning with global best practices, the reform supports sustainable, export-led growth. Its success will depend on effective implementation, institutional coordination, and the ability of domestic industries to adapt to a more competitive environment and the government is committed to safeguard local industries and consumers.

Table 4.4 | Government Revenue

Rs. Million

Item	2021	2022	2023	2024	2025 [a]
Tax Revenue	**1,298,019**	**1,751,132**	**2,720,563**	**3,704,577**	**5,049,192**
Income Tax	302,115	534,021	911,355	1,026,199	1,139,373
VAT	308,213	463,072	694,460	1,309,680	1,746,874
Nation Building Tax	434	413	328	137	488
Excise Duty*	306,898	342,563	469,622	598,529	1,058,707
Import Duties	64,339	50,009	105,120	111,147	275,894
Ports & Airports Development Levy	154,125	180,595	175,486	170,014	180,853
Special Commodity Levy	55,828	40,194	51,327	115,199	164,599
Social Security Contribution Levy	–	36,111	216,181	250,869	294,520
Other	106,067	104,154	96,683	122,804	187,884
Non Tax Revenue	**159,052**	**228,052**	**328,259**	**326,261**	**400,210**
Interest/ Rent	11,556	13,188	33,231	64,192	79,872
Profit and Dividends	30,591	28,092	75,701	41,080	56,543
Sales and Charge	42,645	90,050	146,566	154,731	180,935
Social Security Contribution	34,619	37,416	36,258	43,089	58,794
Central Bank Profit Transfers	15,012	30,007	1,029	–	–
Other	24,630	29,300	35,474	23,170	24,066
Total Revenue	**1,457,071**	**1,979,184**	**3,048,822**	**4,030,838**	**5,449,402**
As a % of GDP					
Tax Revenue	**7.4**	**7.3**	**9.9**	**12.3**	**15.4**
Income Tax	1.7	2.2	3.3	3.4	3.5
VAT	1.7	1.9	2.5	4.4	5.3
Nation Building Tax	...	...	...	...	...
Excise Duty*	1.7	1.4	1.7	2.0	3.2
Import Duties	0.4	0.2	0.4	0.4	0.8
Ports & Airports Development Levy	0.9	0.8	0.6	0.6	0.6
Special Commodity Levy	0.3	0.2	0.2	0.4	0.5
Social Security Contribution Levy	–	0.2	0.8	0.8	0.9
Other	0.6	0.4	0.4	0.4	0.6
Non Tax Revenue	**0.9**	**0.9**	**1.2**	**1.1**	**1.2**
Interest/ Rent	0.1	0.1	0.1	0.2	0.2
Profit and Dividends	0.2	0.1	0.3	0.1	0.2
Sales and Charge	0.2	0.4	0.5	0.5	0.6
Social Security Contribution	0.2	0.2	0.1	0.1	0.2
Central Bank Profit Transfers	0.1	0.1	...	-	-
Other	0.1	0.1	0.1	0.1	0.1
Total Revenue	**8.3**	**8.2**	**11.1**	**13.4**	**16.6**

Source: Department of Fiscal Policy
[a] Provisional
... Negligible
- not available
** Tobacco Tax has been included to Excise Duty*

Value Added Tax (VAT)

In nominal terms, revenue from Value Added Tax (VAT) recorded a strong year-on-year increase of 33.4 percent, rising to Rs. 1,746.9 billion in 2025 from Rs. 1,309.7 billion in 2024. This expansion was primarily driven by substantial increases in VAT collections from both domestic economic activities and imports, as well as the full-year impact of the reduction in the VAT registration threshold from Rs. 120 million per annum to Rs. 60 million per annum, effective from January 1, 2024. Revenue from VAT on domestic activities rose by 20.1 percent to Rs. 855.5 billion in 2025, from Rs. 712.2 billion in 2024, of which VAT on financial services accounted for Rs. 198.2 billion, reflecting a significant increase of 64.7 percent, rising from Rs. 120.4 billion in 2024. VAT revenue from imports increased significantly by 49.2 percent to Rs. 891.4 billion in 2025, from Rs. 597.5 billion in 2024, driven largely by the resumption of motor vehicle imports following the removal of the import suspension.

The contribution of VAT to total tax revenue was 34.6 percent in 2025. VAT revenue as a percentage of GDP increased significantly by 1.0 percentage points to 5.3 percent in 2025 compared to 4.4 percent in 2024, underscoring the growing importance of VAT as a key instrument in fiscal consolidation and domestic revenue mobilization efforts.

Notwithstanding this substantial improvement, the full revenue potential of VAT on imports is yet to be realised, reflecting the lagged effects of import restrictions that remained in place during 2024, although such restrictions have been progressively relaxed since late 2024. The overall increase in VAT revenue also reflects improvements in tax administration and enhanced compliance, supported by strengthened enforcement measures and ongoing administrative reforms, which have continued to support revenue mobilisation efforts. The number of VAT-registered entities, including those in the financial services sector, increased significantly by 56.3 percent to 33,187 at end December 2025, from 21,227 at end-December 2024. This upward trend extended into 2026, with the number of registered VAT payers rising further to 34,769 by end-February 2026, reflecting sustained efforts to broaden the tax base and strengthen compliance.

Table 4.5 | Value Added Tax Revenue

Rs. Million

Item	2021	2022	2023	2024	2025[a]
Domestic	185,918	292,293	469,768	712,326	857,620
Imports	122,766	171,478	225,401	598,048	899,932
Gross Revenue	**308,684**	**463,771**	**695,169**	**1,310,374**	**1,757,552**
Refunds	471	699	709	694	10,678
Net Revenue	**308,213**	**463,072**	**694,460**	**1,309,680**	**1,746,874**
Net Revenue as a % of GDP	**1.7**	**1.9**	**2.5**	**4.4**	**5.3**

Source: Department of Fiscal Policy

[a] Provisional

Table 4.6 | Government Tax Revenue – By Source

Rs. Million

Source	2024	2025[a]	2024/2025 Change (%)
Income Tax	**1,026,199**	**1,139,373**	**11.0**
Domestic Consumption Based Taxes	**1,238,560**	**1,423,851**	**15.0**
VAT – Domestic	712,187	855,485	20.1
NBT – Domestic	130	81	-37.8
SSCL – Domestic	186,477	221,906	19.0
Tax on Liquor	213,390	231,542	8.5
Tax on Cigarettes /Tobacco	118,339	102,718	-13.2
Other (Excise)	8,039	12,120	50.8
Import Based Taxes	**1,398,143**	**2,388,456**	**70.8**
Import Duties	111,147	275,894	148.2
VAT – Import	597,493	891,390	49.2
NBT – Import	8	407	5,268.3
SSCL – Import	64,392	72,614	12.8
PAL	170,014	180,853	6.4
SCL	115,199	164,599	42.9
Cess Levy	81,129	90,373	11.4
Petroleum – Excise	200,200	240,575	20.2
Motor Vehicles – Excise	58,562	471,751	705.6
Licence and Other	**41,675**	**97,512**	**134.0**
Telecommunications Levy	15,927	15,127	-5.0
Other	25,748	82,385	220.0
Total Tax Revenue	**3,704,577**	**5,049,192**	**36.3**

Source : Department of Fiscal Policy

[a] Provisional

Social Security Contribution Levy (SSCL)

Revenue from Social Security Contribution Levy (SSCL) increased by 17.4 percent to Rs. 294.5 billion in 2025 from Rs. 250.9 billion in 2024. This growth was driven by the expansion of both domestic and import activities, with revenue from domestic activities rising by 19.0 percent to Rs. 221.9 billion and revenue from imports rising by 12.8 percent to Rs. 72.6 billion. The number of entities registered for SSCL rose by 34.0 percent to 16,206 in 2025 from 12,097 in 2024, reflecting the full-year effect of the reduction of annual turnover threshold for registation from Rs. 120.0 million per annum to Rs. 60.0 million per annum effective from January 1, 2024. The revenue realization from SSCL stood at 111.6 percent of the annual estimate.

Excise Duty

Total revenue from Excise Duty, third largest contributor to the tax revenue, increased significantly by 76.9 percent in 2025 to Rs. 1,058.7 billion from Rs. 598.5 billion in 2024, reflecting stronger performance across several key excisable categories. This growth was largely driven by higher collections from motor vehicles, petroleum products, and liquor, supported by the full-year impact of excise duty rate revisions implemented effective from January 11, 2025, based on inflation-adjusted indexation of excisable articles.

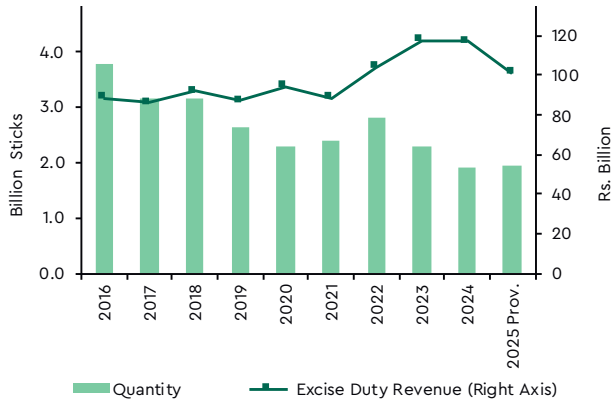
Table 4.7 | Excise Duty Revenue

Rs. Million

Item	2021	2022	2023	2024	2025[a]
Liquor	138,637	165,188	170,260	213,390	231,542
Cigarettes (Including Tobacco)	88,576	104,200	118,481	118,339	102,718
Motor Vehicles	18,113	14,504	32,526	58,562	471,751
Petroleum Products	55,339	53,074	143,642	200,200	240,575
Other	6,234	5,598	4,713	8,039	12,120
Total	**306,898**	**342,563**	**469,622**	**598,529**	**1,058,707**

Source: Department of Fiscal Policy
[a] Provisional

Figure 4.3 |Cigarette Production and Excise Duty Revenue



Sources: Department of Fiscal Policy and Sri Lanka Customs

Revenue from Excise Duty on motor vehicles rose significantly to Rs. 471.8 billion in 2025 from Rs. 58.6 billion in 2024 primarily driven by the relaxation of temporary import restrictions on motor vehicles effective from February 1, 2025.Revenue from Excise Duty on petroleum products increased by 20.2 percent to Rs. 240.6 billion in 2025 from Rs. 200.2 billion in 2024, mainly due to a slight increase in import quantities. Revenue from cigarettes including tobacco, however, declined by 13.2 percent to Rs. 102.7 billion in 2025 from Rs. 118.3 billion in 2024.

Table 4.8 | Production and Excise Tax Collection from Liquor and Cigarettes

Year	Quantity Produced						Excise Tax Revenue			
	Hard Liquor (Liter Mn)	% Change	Malt Liquor (Liter Mn)	% Change	Cigarettes (Mn Sticks)	% Change	Liquor (Rs.Bn)	% Change	Cigarettes (Rs. Bn)	% Change
2015	51.8	17.9	125.8	1.0	4,116	9.0	105.9	53.3	80.0	39.9
2016	55.6	7.3	52.2	-58.5	3,789	-7.9	120.8	14.1	88.8	11.0
2017	46.9	-15.5	71.1	36.3	3,149	-16.9	113.7	-5.9	86.0	-3.2
2018	25.3 [a]	-46.1	11.4 [a]	-84.0	3,150	0.02	113.9	0.2	92.2	7.2
2019	24.7	-2.4	19.1	67.9	2,622	-16.8	115.4	1.3	87.4	-5.2
2020	22.0	-10.9	11.4	-40.4	2,287	-12.8	121.0	4.9	94.3	8.0
2021	25.0	13.6	12.5	9.6	2,384	4.3	138.6	14.6	88.5	-6.2
2022	27.0	8.0	14.1	12.8	2,825	18.5	165.2	19.2	104.2	17.6
2023	20.4	-24.3	13.6	-3.5	2,303	-18.5	170.3	3.1	117.5	12.8
2024	19.2	-5.8	14.2	4.9	1,923	-16.5	213.4	25.3	117.1	-0.3
2025	22.3	16.1	15.0	5.6	1,935	0.6	231.5	8.5	101.2	-13.6

Source: Department of Fiscal Policy, Department of Customs and Department of Excise

[a] After the 2017 Hard Liquor & Malt Liquor Production is Absolute liters

Figure 4.4 | Liquor Production and Excise Tax Revenue

Sources : Department of Fiscal Policy and Department of Excise

Revenue from Excise Duty on other excisable items, including sweetened beverages, refrigerators, palm oil, and fatty acids, increased by 50.8 percent, to Rs. 12.1 billion in 2025 from Rs. 8.0 billion in 2024, largely attributable to the 5.9 percent rate revision implemented effective from January 11, 2025, based on inflation-adjusted indexation of excisable articles.

Revenue from Excise Duty on liquor increased by 8.5 percent to Rs. 231.5 billion in 2025 from Rs. 213.4 billion in 2024, contributing 21.9 percent to the total Excise Duty revenue. This growth was supported by 5.9 percent duty rate revision implemented effective from January 11, 2025, in line with the policy of inflation-adjusted indexation of excise taxes, with revenue realization reaching 96.5 percent of the estimate. However, the production of both hard liquor and malt liquor increased by 11.7 percent to 37.3 million absolute liters in 2025 from 33.4 million absolute liters in 2024.

Table 4.9 | Structure of the Amendment of the Excise Duty on Liquor

Liquor Category	Previous Duty per Absolute Liter (Rs.) (From 01.01.2024)	New Duty per Absolute Liter (Rs.) (From 11.01.2025)
Special Arrack	6,840	7,244
Molasses/ Palmyra/ Coconut Arrack	7,320	7,752
Country made Foreign Liquor	7,525	7,969
Beer (Strength – Less than 5%)	5,415	5,735
Strong Beer (Strength – more than or equal to 5%)	5,680	6,015
Wine	5,415	5,735
Sake	1,480	1,567
Milk Punch	3,760	3,982
Cider	4,105	4,347

Source: Department of Fiscal Policy

Customs Import Duty (CID)

Revenue from Customs Import Duty (CID) increased significantly by 148.2 percent to Rs. 275.9 billion in 2025 from Rs. 111.1 billion in 2024. This growth was mainly driven by the resumption of motor vehicle imports, which alone contributed 53.0 percent of CID revenue at Rs 146 billion, as well as the gradual recovery in import demand and the normalisation of trade activities. Other major contributors to CID revenue included milk powder, lubricant oils, and wheat grain.

Special Commodity Levy (SCL)

Revenue from the Special Commodity Levy (SCL) increased significantly by 42.9 percent to Rs. 164.6 billion in 2025 from Rs. 115.2 billion in 2024, driven by upward rate revisions on selected commodities, including sugar, B' Onions, and potatoes, as well as increased import volumes of essential goods. The highest SCL revenue was generated from potatoes, B' Onions, sugar, and coconut oil. SCL revenue exceeded the annual estimate of Rs. 126.0 billion, by Rs. 38.6 billion.

Ports and Airports Development Levy (PAL)

Revenue from the Ports and Airports Development Levy (PAL) increased by 6.4 percent to Rs. 180.9 billion in 2025 from Rs. 170.0 billion in 2024, supported by the continued application of the levy on a broad range of imported goods and improved Customs enforcement mechanisms. Major revenue-generating items under PAL included crude petroleum oil, milk powder, steel, and cement clinkers.

Commodity Exports Subsidy Scheme (CESS)

Revenue from the Commodity Export Subsidy Scheme (CESS) levy on imports and exports increased by 11.4 percent to Rs. 90.4 billion in 2025 from Rs. 81.1 billion in 2024, primarily driven by the increased import volumes following the relaxation of restrictions on non-essential imports. Revenue from CESS on imports rose by 12.1 percent to Rs. 88.7 billion in 2025 from Rs. 79.1 billion in 2024, while revenue from CESS on exports declined to Rs. 1.6 billion in 2025 from Rs. 2.0 billion, with tea and coconut-based products remaining the primary contributors to export CESS revenue.

Table 4.10 | CESS Revenue from International Trade and Government Subsidy for Agriculture Sector Development : 2023–2025

Rs. Million

Description	2023	2024	2025 [a]	Description	2023	2024	2025 [a]
CESS ON EXPORTS	**2,229**	**1,996**	**1,644**	**Commercial Crop Development**	**56,008**	**41,518**	**39,612**
Tea-under Tea (Tax and Control of Export) Act, Sri Lanka Tea Board Law	523	415	369	Tea	686	499	745
Rubber-under Rubber Replanting Subsidy Act	7	11	24	Rubber	655	515	495
Coconut-under Coconut Development Act	186	213	160	Coconut	450	500	718
EDB Cess- under Sri Lanka Export Development Act	1,513	1,357	1,092	Cashew	47	55	8
CESS ON IMPORTS	**54,955**	**79,133**	**88,728**	Minor Export Crops (Cinnamon, Cocoa, Coffee, Pepper)	388	370	831
Imports- under Sri Lanka Export Development Act	54,955	79,133	88,728	Fertilizer Subsidy for Total Agriculture Sector Development	53,782	39,579	36,815
Total	**57,184**	**81,129**	**90,373**	**Total**	**56,008**	**41,518**	**39,612**

Sources: Department of Customs and Department of National Budget

[a] Provisional

Box 4.2 | The 4 – Band Customs Import Duty Reform

1. Overview

The introduction of the 4-Band Customs Import Duty (CID) framework, published on 03 March 2026 under Gazette Notification No. 2478/03, with effect from 1 April 2026, marks a significant structural reform under Sri Lanka's National Tariff Policy (NTP). The reform rationalizes the existing tariff regime, enhances transparency, and aligns with international best practices.

The reform supports the national development agenda of "*Thriving Nation, A Beautiful Country*" and contributes towards achieving the medium-term export target.

2. Key Features of the Reform

The reform introduces a streamlined and standardized tariff structure with the following features:

- Adoption of a four-band tariff system
- Alignment with United Nations Broad Economic Categories (BEC) Rev.5
- Reduction of tariffs on inputs to support domestic production
- Rationalization of tariffs on consumption goods
- Maintenance of stability across the majority of tariff lines

3. Tariff Structure

The revised tariff system, as published in Extraordinary Gazette Notification No. 2478/03 dated 03 March 2026, comprises a four-band Customs Import Duty (CID) structure consisting of 0 percent, 10 percent, 20 percent and 30 percent tariff bands, classified into two groups based on the economic categories of goods under the United Nations Broad Economic Categories (BEC) Rev.5, as follows:

Methodology

CID Rate	Category	Objective
0%	Intermediate and Capital Goods	Ensure supply continuity & promote production
10%	Intermediate and Capital Goods	Ensure supply continuity & promote production
20%	Consumption Goods	Revenue mobilization & demand management
30%	Consumption Goods	Revenue mobilization & demand management

4. Coverage and Distribution

The reform covers a total of 8,225 HS lines, of which 85.2 percent remain unchanged, ensuring policy continuity.

In addition, 76 new HS sub-divisions were introduced, 27 sub-divisions were removed, and selected descriptions have been amended to improve classification accuracy and regulatory oversight.

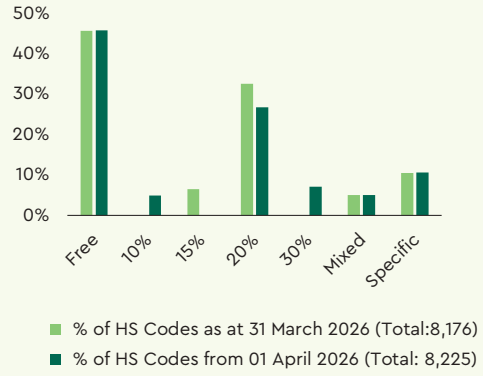
Distribution of Customs Import Duty Rates by HS Codes

CID Rate Category	As at 31 March 2026		Effective from 01 April 2026	
	No. of HS Codes	%	No. of HS Codes	%
0% (Free)	3,725	45.6%	3,756	45.7%
10%	–	–	406	4.9%
15%	526	6.4%	–	–
20%	2,660	32.5%	2,195	26.7%
30%	–	–	582	7.1%
Mixed Rates	413	5.1%	411	5.0%
Specific Rates	852	10.4%	875	10.6%
Total	**8,176**	**100.0%**	**8,225**	**100.0%**

Data Source: Department of Trade and Investment Policy

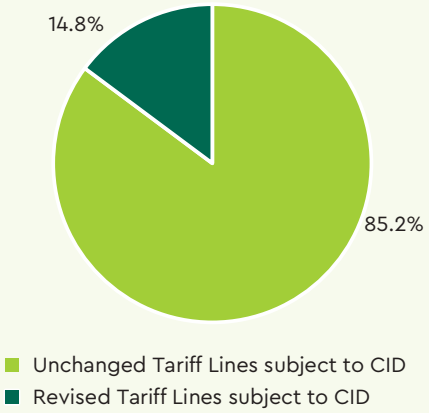
Box 4.2 | The 4 – Band Customs Import Duty Reform contd...

Distribution of CID Rates across Total HS Codes



Data Source: Department of Trade and Investment Policy

Distribution of Tariff Lines subject to CID – Stability & Adjustment



Key Sectoral Coverage under the 4-Band CID Structure

CID Band in line with BEC Rev.5	CID Rate	Sectoral Coverage	Key Product Categories
Capital Goods & Intermediate	0%	Agriculture, Manufacturing, Construction, Services, etc.	Agricultural inputs, food and agro-industrial inputs, essential oils, chemicals, minerals, plastics and rubber, leather, wood, metals, glass, machinery, electrical equipment, precision instruments, etc.
	10%		
Consumption Goods	20%	Processed Foods, Household Appliances, Musical Instruments, etc.	Dairy products, processed foods, household appliances, textiles, media equipment, musical instruments, works of art, collectors' pieces and antiques, selected regulated goods, etc.
Consumption Goods- including Luxury Items	30%	Lifestyle, Toys, Transport, etc.	Personal care items, motor vehicles, watches, toys, sunglasses, etc.

5. Safeguard Arrangements

To ensure a smooth implementation, the following measures have been adopted:

- Selected intermediate goods are temporarily retained at 20 percent to safeguard Government revenue
- Specific rates remain unchanged
- Goods subject to the free rate of CID remain unchanged
- Tobacco and liquor excluded from the methodology
- Targeted adjustments based on sectoral requirements

Box 4.2 | The 4 – Band Customs Import Duty Reform contd...

Key Tariff Adjustments under the 4-Band Structure

The following key adjustments have been introduced under the 4-Band CID Reform:

(a) Reduction of tariffs on intermediate goods
Intermediate goods previously subject to 15 percent tariffs are reduced to 10 percent to lower input costs and enhance industrial competitiveness.

(b) Rationalization of tariffs on consumption goods
Consumption goods are restructured at 20 percent or 30 percent based on essentiality and domestic production considerations.

(c) Retention of selected goods at 20 percent
Certain intermediate goods are temporarily retained at 20 percent, taking into account revenue implications and sector-specific considerations.

(d) Streamlining of mixed-rate structures
Mixed-rate tariffs are rationalized and adjusted in line with the revised tariff bands.

(e) Maintenance of stability across tariff lines
A majority of tariff lines remain unchanged to ensure continuity and investor confidence.

(f) Sector-specific adjustments
Targeted adjustments are made in selected sectors to balance production support, revenue mobilization, and consumer considerations.

(g) Exclusions from the 4-band structure
Goods subject to Specific rates, as well as tobacco and liquor products, remain outside the framework to maintain revenue certainty and policy objectives.

6. Fiscal Impact

The estimated impact on Government revenue is less than 0.1 percent of Gross Domestic Product (GDP), based on calculations derived from import statistics for the years 2024 and 2025 based on data from Sri Lanka Customs and GDP data from the Central Bank of Sri Lanka.

7. Expected Outcomes

The reform is expected to:

- Improve industrial competitiveness by lowering the cost of production
- Enhance investment attractiveness
- Increase transparency in tariff administration
- Support export growth
- Strengthen the production base of the economy

8. Conclusion

The 4-Band Tariff Reform establishes a streamlined, transparent, and rules-based tariff framework aligned with international best practices in goods classification and national economic objectives. Lower tariffs on intermediate and capital goods, together with the application of 20 percent or 30 percent bands on consumption goods, support industrial competitiveness, export growth, and efficient resource allocation. Stability across most tariff lines, supported by targeted safeguards, ensures a smooth transition with minimal disruption, thereby strengthening the foundation for a competitive and resilient economy.

Other Taxes

Telecommunication Levy (TL)

Revenue from the Telecommunication Levy fell by 5.0 percent to Rs. 15.1 billion in 2025 from Rs.15.9 billion in 2024, reflecting reduced consumer spending on traditional telecommunication services as users shifted towards more affordable packages.

In terms of sector performance, fixed access service connections declined from 3.4 million to 2.6 million in 2025, reflecting the sustained reduction in reliance on traditional landline services while fixed internet and email subscribers decreased from 2.5 million in 2024 to 1.9 million over the same period. In contrast, cellular phone subscribers increased approximately 29.5 million in 2025 from 28.8 million in 2024, and mobile broadband subscribers rose to around 21.9 million from 20.6 million in 2024, indicating continued expansion in mobile connectivity.

Embarkation Levy (EL)

Revenue from the embarkation levy increased by 39.6 percent to Rs. 53.5 billion in 2025 from Rs. 38.3 billion in 2024, driven by strong growth in tourist arrivals, which rose by 15.1 percent to 2,362,521 persons in 2025 from 2,053,465 persons in 2024.

Betting and Gaming Levy (BG)

The revenue from Betting and Gaming Levy increased by 4.4 percent to Rs.10.2 billion in 2025 from Rs. 9.8 billion in 2024, reflecting the expansion of entertainment activities with several international casinos entering the market during the year. Within this, the annual levy on persons carrying out the business of a bookmaker or the business of gaming declined by 11.5 percent to Rs. 3.3 billion in 2025 from Rs. 3.7 billion in 2024, while the levy on the gross collection of the business of a bookmaker or the business of gaming increased by 14.6 percent to Rs. 6.0 billion in 2025 from Rs. 5.2 billion.

Non-tax Revenue

Non-tax revenue increased by 22.7 percent to Rs. 400.2 billion in 2025 from Rs. 326.3 billion in 2024, reflecting growth across all non-tax revenue categories, with a share of GDP rising by 0.14 percentage points to 1.22 percent in 2025 from 1.08 percent in 2024.

Interest income rose by 24.7 percent to Rs. 72.0 billion in 2025 from Rs. 57.8 billion in 2024. Profits and dividends increased by 37.6 percent to Rs. 56.5 billion in 2025 from Rs. 41.1 billion in 2024, mainly due to the improved performance of State-Owned Enterprises (SOEs) supported by the SOE reforms and broader economic growth. Revenue from fines, fees, and charges increased by 16.9 percent to Rs. 180.9 billion in 2025 from Rs. 154.7 billion in 2024, driven by the upward revision of fees and charges that had remained unchanged over the preceding three years. Social security contributions increased by 36.4 percent to Rs. 58.8 billion in 2025 from Rs. 43.1 billion in 2024, mainly due to salary increases of government officers and the upward revision of the social security contribution rate.

Table 4.11| Non-Tax Revenue

Rs. Million

Item	2024	2025 [a]	2024/2025 (% change)	2025 (% of Total Non Tax Revenue)
Interest/Rent	64,192	79,872	24.4	20.0
Profits and Dividends	41,080	56,543	37.6	14.1
Fines, fees and charges	154,731	180,935	16.9	45.2
Social Security Contribution	43,089	58,794	36.4	14.7
Other	23,170	24,066	3.9	6.0
Total	**326,261**	**400,210**	**22.7**	**100.0**

Sources: Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

[a] Provisional

Table 4.12| Variance Analysis of Government Revenue

Rs. Billion

Item	2024	2025 Estimate	2025[a]	Major Reasons for Variance
Income Taxes	1,026.2	1,167.0	1,139.4	Revenue from income tax increased by 11.0 percent to Rs 1,139.4 billion in 2025 from Rs. 1,026.2 billion in 2024, realizing 97.6 percent of the estimate. This performance was mainly driven by: – Increased wages of the public and private sectors; – Expansion of domestic economic activities; – Increased CIT rate from 40 percent to 45 percent on the liquor, tobacco and betting and gaming industries with effect from 01.04.2025; – Imposition of 15 percent income tax on export of services with effect from 01.04.2025; – Increased WHT rate on interest from 5 percent to 10 percent with effect from 01.04.2025; – Strengthened tax administration measures to broaden the tax base contributed to a 19.2 percent rise in registered taxpayers to 1,302,596 in 2025 from 1,093,134 in 2024 ; and – Increased Capital Gains tax revenue to Rs. 8.0 billion in 2025 from Rs. 1.9 billion in 2024. However, the upward revision of the tax-free threshold for PAYE tax from Rs. 1.2 million to Rs. 1.8 million per annum together with broadened 18 percent tax slab effective from 01.04.2025, had a negative impact on income tax revenue.
Value Added Tax (VAT)	1,309.7	1,615.0	1,746.9	VAT Revenue increased by 33.4 percent to Rs. 1,746.9 billion in 2025 from Rs. 1,309.7 billion in 2024, achieving 108.2 percent of the annual estimate. This significant performance was mainly driven by: – the lifting of import restrictions on motor vehicles; – a 14.0 percent increase in total imports to USD 21,480 million in 2025; – Increased VAT on financial services rose by 64.7 percent to Rs. 198 billion in 2025, reflecting the improved financial sector performance and one-off payment of approximately Rs. 38 billion related to ISB impairment and CPC loan repayment; – Expanded domestic economic activities; and – Increased number of registered taxpayers by 56.3 percent to 33,187 at end 2025 from 21,227 at end 2024, reflecting improved VAT compliance.

Table 4.12| Variance Analysis of Government Revenue (Contd)

Rs. Billion

Item	2024	2025 Estimate	2025[a]	Major Reasons for Variance
Excise Duty	598.5	841.0	1,058.7	Revenue from Excise Duty increased by 76.9 percent, to Rs. 1,058.7 billion in 2025, from Rs. 598.5 billion in 2024, surpassing the annual estimate by 25.9 percent. This strong performance was primarily driven by: – Increased revenue from Excise Duty on motor vehicles, following relaxation of import restrictions on all types of motor vehicle imports with effect from February 2025; – Increased Excise Duty rate on excisable articles including motor vehicles, cigarettes, sugar-based beverages etc. under Excise (Special Provisions) Act, No. 13 of 1989 by 5.9 percent based on an annual inflation indexation; – Increased petrol and diesel import volumes to 1.3 Mt Mn and 1.2 Mt Mn, respectively in 2025 from 1.2 Mt Mn and 1.17 Mt Mn, respectively in 2024; – Increased Excise Duty rate on liquor by 5.9 percent based on an annual inflation indexation and increased production of both hard liquor and malt liquor by 11.7 percent to 37.3 Mn liters in 2025 from 33.4 Mn liters in 2024.; and – Increased revenue from other excisable articles such as sugar-based beverages, refrigerators, palm oil and fatty acids by 50.8 percent to Rs. 12.1 billion. However, a decline in revenue from cigarettes by 13.2 percent negatively contributed to the excise duty revenue.
Customs Import Duties	111.1	240.0	275.9	Revenue collection from Customs Import Duty (CID) increased by 148.2 percent to Rs. 275.9 billion in 2025 from Rs. 111.1 billion in 2024, achieving 115.0 percent of the annual budget estimate. This strong performance was primarily driven by the following reasons; – the imposition of a 20 percent CID on motor vehicles with effect from 28.01.2025; – a 50 percent surcharge on import duties for motor vehicles with effect from 01.02.2025; and – a 14.0 percent increase in total imports to USD 21,480 Mn in 2025.
Port and Airport Development Levy (PAL)	170.0	185.0	180.9	Revenue from PAL increased by 6.4 percent to Rs. 180.9 billion in 2025, realising 97.8 percent of the annual budget estimate. This performance was mainly driven by; – a 14.0 percent increase in total imports to USD 21,480 Mn in 2025.

Table 4.12| Variance Analysis of Government Revenue (Contd)

Rs. Billion

Item	2024	2025 Estimate	2025[a]	Major Reasons for Variance
Special Commodity Levy (SCL)	115.2	126.0	164.6	The revenue from SCL increased by 42.9 percent to Rs. 164.6 billion, realising 130.6 percent of the annual estimate. This strong performance was largely supported by following reasons: – The upward revision of duty rates on potatoes, rice, salt and B'onions; and – a 10.5 percent increase in value of imports of major commodity items, including dairy products, oils and fats
Social Security Contribution Levy (SSCL)	250.9	264.0	294.5	Revenue from SSCL increase by 17.4 percent to Rs. 294.5 billion in 2025, realizing 111.6 percent of the annual estimate, driven by a 14 percent increase in total imports to USD 21,480 Mn in 2025 and the expansion of domestic economic activities.
Other Taxes	122.9	152.0	188.4	The revenue from other taxes increased by 53.2 percent to Rs. 188.4 billion in 2025 from Rs. 122.9 billion in 2024. The realization of other tax revenue was 123.9 percent of the annual estimate for 2025. This was primarily driven by: – Revenue from CESS Levy increased by 11.4 percent owing to the increase in imports; and – Increased revenue from Luxury tax on motor vehicles to Rs. 52.1 billion in 2025 compared to Rs. 3.0 billion in the same period of 2024 with the relaxation of restrictions on motor vehicle imports. – Increased Share Transaction Levy to Rs. 7.5 billion in 2025 from Rs. 3.1 billion in 2024 reflecting the improvements in share market movements. However, revenue from Telecommunication Levy dropped by 5.0 percent reflecting lower usage of fixed line telecommunication services and reduction of voice communication both foreign and local.
Non-Tax Revenue	326.3	370.0	400.2	Revenue from non-tax sources increased by 22.7 percent to Rs 400.2 billion in 2025, realizing 108.2 percent of the annual estimate. This growth was mainly driven by increased revenue from profits and dividends from SOEs, interest income, rent, fines, fees, and charges and receipts from the Social Security Contribution.
Total	**4,030.8**	**4,960.0**	**5,449.4**	

Compiled by the Department of Fiscal Policy

[a] Provisional

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026

<table>
<tr><th>Effective Date</th><th>Measures</th></tr>
<tr><td colspan="2">Income Tax- Amendments to the Inland Revenue Act, No. 24 of 2017</td></tr>
<tr><td>01.04.2025</td><td>Inland Revenue (Amendment) Act, No. 2 of 2025

1) Personal Income Tax (PIT) Rate Structure
To increase personal income tax relief of an individual to Rs. 1,800,000/- per annum and to revise the tax rates applicable on the taxable income of an individual as follows,

<table>
<tr><th rowspan="2">Marginal Tax Rate (%)</th><th colspan="2">Annual Taxable Income (Rs. Mn)</th></tr>
<tr><th>Previous Tax Slabs</th><th>Current Tax Slabs</th></tr>
<tr><td>0</td><td>Up to 1.2</td><td>Up to 1.8</td></tr>
<tr><td>6</td><td>1.2 -1.7</td><td>1.8 -2.8</td></tr>
<tr><td>12</td><td>1.7 – 2.2</td><td>-</td></tr>
<tr><td>18</td><td>2.2 – 2.7</td><td>2.8 – 3.3</td></tr>
<tr><td>24</td><td>2.7 – 3.2</td><td>3.3 – 3.8</td></tr>
<tr><td>30</td><td>3.2 – 3.7</td><td>3.8 – 4.3</td></tr>
<tr><td>36</td><td>Over 3.7</td><td>Over 4.3</td></tr>
</table>

2) Revision of CIT Rates
(i) To increase the income tax rate applicable on the gains and profits from the manufacture and sale or import and sale of any liquor or tobacco product other than the export of such product and the gains and profits from conducting betting and gaming from 40 percent to 45 percent.
(ii) To impose income tax on the gains and profits earned or derived from any service rendered in or outside Sri Lanka to any person to be utilized outside Sri Lanka, where the payment for such services is received in foreign currency and remitted through a bank to Sri Lanka at the rate of 15 percent.
(iii) To impose income tax on the gains and profit earned or derived from any foreign source where such gain and profit are earned or derived in foreign currency and remitted through a bank to Sri Lanka at the rate of 15 percent.
3) Advance Income Tax rate (WHT rate)
To increase Advance Income Tax rate (WHT rate) applicable on interest or discount paid from 5 percent to 10 percent.</td></tr>
<tr><td colspan="2">Stamp Duty- Stamp Duty (Special Provisions) Act, No. 12 of 2006</td></tr>
<tr><td>01.04.2025</td><td>Gazette Notification No. 2429/39 dated 27.03.2025
- To increase the Stamp Duty applicable on any instrument relating to the lease or hire of any property from Rs. 10/- to Rs. 20/- for every Rs. 1,000/- or part thereof of the aggregate lease or hire including any premium, payable for the whole term comprised in the lease or hire Agreement (other than a hire purchase agreement).</td></tr>
<tr><td>24.02.2026</td><td>Gazette Notification No. 2477/22 dated 24.02.2026
- To exempt the Stamp Duty of Rs. 25/= levied on receipts issued for payments exceeding Rs. 25,000/= made by the Government to persons affected by disasters.</td></tr>
<tr><td colspan="2">Gambling Regulatory Authority – Gambling Regulatory Authority Act No. 17 of 2025</td></tr>
<tr><td>03.09.2025</td><td>To establish a Gambling Regulatory Authority with the purview,
a. To regulate and control gambling activities;
b. To ensure the collection of revenue in relation to gambling;
c. To ensure transparency and good governance in the conduct of gambling;
d. To promote public confidence in the integrity of the gambling industry;
e. To ensure that gambling is conducted in a fair and transparent manner</td></tr>
</table>

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026 contd...

Effective Date	Measures
Betting and Gaming Levy – Betting and Gaming Levy Act, No. 40 of 1988	
17.12.2025 w.e.f. 01.01.2026	Betting and Gaming Levy (Amendment) Act, No. 25 of 2025 - The Betting and Gaming Levy Act, No. 40 of 1988 was amended to give effect to the following revenue measures proposed in the Budget Speech 2025: • To increase the Gross Collection Levy from 15 percent to 18 percent; and • To increase the Casino Entrance Levy imposed on Sri Lanka citizens from USD 50 to USD 100.
Social Security Contribution Levy (SSCL) – Social Security Contribution Levy Act, No. 25 of 2022	
09.04.2026 w.e.f. 01.07.2026 w.e.f. 01.05.2026	Social Security Contribution Levy (Amendment) Act, No. 10 of 2026 1. To reduce the annual turnover threshold for the registration of Social Security Contribution Levy (SSCL) from Rs. 60 million to Rs. 36 million with effect from July 01, 2026; and 2. To impose SSCL at the time of importation or manufacture and sale of motor vehicles, and to exempt motor vehicles from SSCL at the point of after-sales transactions, with effect from May 01, 2026.
Value Added Tax (VAT)- Value Added Tax Act, No. 14 of 2002	
01.01.2024 11.04.2025 11.04.2025 11.04.2025 w.e.f. 01.10.2025 w.e.f. 01.10.2025	Value Added Tax (Amendment) Act, No. 4 of 2025 1. To avoid the unintended effects of the removal of exemptions from the Value Added Tax Act, No. 14 of 2002, to maintain clarity and to ensure smooth implementation of the VAT reforms introduced by the Value Added Tax (Amendment) Act, No. 32 of 2023. 2. To issue the permanent VAT Registration Certificate when the import/export is done for commercial purposes, disregarding the facts that the goods are exempted from VAT or the importer/exporter is below the VAT registration threshold. 3. To issue instructions by the Commissioner General of Inland Revenue to file VAT Returns in respect of the VAT exempt supplies/purchases as well. 4. To exempt the supply of locally produced liquid milk and yoghurt from VAT. 5. To impose VAT on the supply of services by the Non-residents through an electronic platform with effect from October 01, 2025. 6. To repeal the Simplified VAT (SVAT) system, with effect from October 01, 2025 and to introduce a risk-based refund mechanism to expedite the refund process.
31.10.2025	Gazette Notification No. 2460/44 dated 31.10.2025 - To set Regulations for the management of the Value Added Tax Refund Fund under section 71 of the Value Added Tax Act, No. 14 of 2002.
07.11.2025	Gazette Notification No. 2461/43 dated 07.11.2025 - To establish a weight-based method for determining the value for VAT payable on imported precious and semi-precious stones.
01.04.2026	Gazette Notification No. 2478/07 dated 03.03.2026 - To remove zero rated VAT on imported fabric and apply standard VAT rate.
Excise (Special Provisions) Duty -Excise (Special Provisions) Act, No. 13 of 1989	
11.01.2025	Gazette Notification No. 2418/43 dated 10.01.2025 - To increase Excise Duty for all excisable articles with unit rates by 5.9 percent based on an annual inflation adjustment indexation.
01.02.2025	Gazette Notification No. 2421/42 dated 31.01.2025 - To increase the Excise Duty on Electric Vehicles.
29.04.2025	Gazette Notification No. 2434/04 dated 28.04.2025 - To impose Excise Duty for the newly created National Sub Divisions for electric motor vehicles with engine used (petrol, diesel or semi-diesel) only for charging the electric accumulator, not capable of being charged by plugging to external source of electric power.

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026 contd...

Effective Date	Measures
01.04.2026	Gazette Notification No. 2478/06 dated 03.03.2026 - To impose Excise Duty on newly created National Sub Divisions, with rates assigned based on the prevailing rate applicable to the relevant HS Heading/ Sub Division.
Excise (Ordinance) Duty – Excise Ordinance (Chapter 52)	
11.01.2025	Excise Notification No.01/2025 (Gazette Notification No. 2418/42 dated 10.01.2025) - To increase the Excise Duty on liquor by 5.9 percent based on an annual inflation adjustment indexation.
28.10.2025	Excise Notification No.02/2025 (Gazette Notification No. 2460/02 dated 27.10.2025) - To reduce the time period for the payment of Excise Duty on the production of the liquor.
12.12.2025	Excise Notification No.03/2025 (Gazette Notification No. 2466/22 dated 11.12.2025) - To revise the Annual Excise License Fee and the Security Deposit and to impose one-time fee for industry entry.
Tobacco Tax – Tobacco Tax Act, No. 08 of 1999	
02.04.2025	Gazette Notification No. 2430/16 dated 01.04.2025 - To increase tobacco tax applicable on a stick of Beedi from Rs. 2/- per stick to Rs. 3/- per stick.
Ports and Airports Development Levy(PAL) – Ports and Airports Developments Levy Act, No. 18 of 2011	
08.11.2025	Gazette Notification No. 2461/44 dated 07.11.2025 - To continue the existing exemption from PAL for newly created National Sub Divisions (NSDs).
01.04.2026	Gazette Notification No. 2478/05 dated 03.03.2026 - To impose PAL on newly created National Sub Divisions, with rates assigned based on the prevailing rate applicable to the relevant HS Heading/ Sub Division.
CESS Levy – Securities & Exchange Commission of Sri Lanka Act, No.19 of 2021	
01.08.2025	Gazette Notification No. 2443/49 dated 02.07.2025 - To impose CESS levy of 0.006% on the value of transaction in Listed High Yield Corporate Debt Securities and to revise CESS levy to 0.01% divided by 3 on the total value of transaction in Corporate Debt Securities.
CESS Levy – Sri Lanka Export Development Act, No. 40 of 1979	
01.04.2026	Gazette Notification No. 2478/04 dated 03.03.2026 - To impose CESS levy on newly created or amended National Sub Divisions.
01.04.2026	Gazette Notification No. 2479/38 dated 10.03.2026 - To remove CESS levy on imported fabric as proposed in Budget Speech 2026. - To reduce CESS rate by 50 percent on intermediate inputs in line with the Development Policy Operation (DPO).
Customs Import Duty (CID) – Revenue Protection Act, No. 19 of 1962	
28.01.2025	Revenue Protection Order No. 01/2025 (Gazette Notification No. 2421/05 dated 27.01.2025) - To impose Customs Import Duty of 20 percent or 20 percent with a Specific Rate of Duty (Mixed Rate of Duty) on importation of motor vehicles.
29.04.2025	Revenue Protection Order No. 02/2025 (Gazette Notification No. 2434/02 dated 28.04.2025) - To create new National Sub Divisions (NSDs) for electric motor vehicles with engine used (petrol, diesel or semi-diesel) only for charging the electric accumulator, not capable of being charged by plugging to external source of electric power.
10.10.2025	Revenue Protection Order No. 03/2025 (Gazette Notification No. 2457/06 dated 09.10.2025) - To create new National Sub Divisions (NSDs) HS codes in respect of the rice bran oil considering the coconut oil price in the market.

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026 contd...

Effective Date	Measures
08.11.2025	Revenue Protection Order No. 04/2025 (Gazette Notification No. 2461/40 dated 07.11.2025) - To create new National Sub-Divisions (NSDs) for precious stones and semi-precious stones in order to ensure smooth implementation of applying weight-based value for import of precious /semi-precious stones for Value Added Tax (VAT) purposes.
26.11.2025	Revenue Protection Order No. 05/2025 (Gazette Notification No. 2464/15 dated 25.11.2025) - To Introduce mixed CID rate on importation of Mandarins(Hybrid Variety), considering the bilateral commitments under the Sri Lanka – Pakistan Free Trade Agreement.
01.04.2026	Revenue Protection Order No. 01/2026 (Gazette Notification No. 2478/03 dated 03.03.2026) - To introduce a Four Band Customs Import Duty Structure, revising the existing Customs Import Duty Rates of 0 percent, 15 percent, and 20 percent to 0 percent, 10 percent, 20 percent and 30 percent effective from April 01, 2026.
Customs Surcharge- Customs Ordinance (Chapter 235)	
01.02.2025	Gazette Notification No. 2421/43 dated 31.01.2025 - To impose a surcharge on import duties for the importation of Motor Vehicles.
29.04.2025	Gazette Notification No. 2434/03 dated 28.04.2025 - To impose 50 percent of surcharge for the newly created National Sub Divisions for electric motor vehicles with engine used (petrol, diesel or semi-diesel) only for charging the electric accumulator, not capable of being charged by plugging to external source of electric power.
01.02.2026	Gazette Notification No. 2473/31 dated 31.01.2026 - To continue the imposition of a 50 percent of surcharge on the importation of Motor Vehicles till December 31, 2026.
01.04.2026	Gazette Notification No. 2479/55 dated 12.03.2026 - To remove the 50 percent of surcharge on the importation of Motor Vehicles considering the increase of CID from 20 percent to 30 percent with effect from April 01, 2026.
Special Commodity Levy (SCL) – Special Commodity Levy Act, No. 48 of 2007	
01.01.2025	Gazette Notification No. 2417/20 dated 31.12.2024 - To extend the validity period of prevailing SCL duty on importation of 63 commodities including essential food items till December 31, 2025.
28.01.2025	Gazette Notification No. 2421/03 dated 27.01.2025 - To grant Duty waiver of Rs.199/- per kg for the importation of Dates considering the Ramadan Festive season.
26.08.2025	Gazette Notification No. 2451/10 dated 25.08.2025 - To increase the SCL rate on importation of Potatoes from Rs. 60/- per kg to Rs. 80/- per kg and importation of B' Onions from Rs. 10/- per kg to Rs. 50/- per kg considering local harvesting period.
10.10.2025	Gazette Notification No. 2457/05 dated 09.10.2025 - To impose SCL on importation of Rice bran oil and Coconut Chips with the recommendation of the Food Policy and Security Committee.
26.11.2025	Gazette Notification No. 2464/14 dated 25.11.2025 - To extend the validity period of prevailing SCL on importation of Potatoes and B' Onions until December 31, 2025. - To remove SCL on importation of Hybrid Mandarins with effect from November 26, 2025.
05.12.2025	Gazette Notification No. 2465/16 dated 04.12.2025 - To waive off the SCL applicable on the importation of essential goods, received as aid or donations for the "Disaster Recovery Project to facilitate persons affected by Cyclone Ditwah".
01.01.2026	Gazette Notification No. 2469/12 dated 31.12.2025 - To extend the validity period of prevailing SCL on importation of 62 commodities till December 31, 2026.

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026 contd...

Effective Date	Measures
01.04.2026	Gazette Notification No. 2482/09 dated 31.03.2026 - To permit a concessional Special Commodity Levy (SCL) by waiving the balance of the applicable levy on the importation of dehydrated coconut chips for domestic coconut oil production and on salt imported for pharmaceutical manufacturing purposes, subject to specified regulatory approvals, effective from 01 April 2026 to 31 December 2026.
Imports & Exports (Control) Regulations- Imports and Exports (Control) Act, No. 01 of 1969	
28.01.2025	Imports and Exports (Control) Regulations No. 01 of 2025 (Gazette Extraordinary No. 2421/04 dated 27.01.2025) - To remove temporary suspension on importation of commercial or goods transport vehicles.
01.02.2025	Imports and Exports (Control) Regulations No. 02 of 2025 (Gazette Extraordinary No. 2421/44 dated 31.01.2025) - To remove temporary suspension on importation of motor vehicles including personal usage motor vehicles (Cars, Vans, Sport Utility Vehicles, etc.) and to impose Import Control License (ICL) requirement for motor vehicles that exceeds maximum age limits.
19.03.2025	Imports and Exports (Control) Regulations No. 03 of 2025 (Gazette Extraordinary No. 2428/07 dated 19.03.2025) - To appoint Bureau Veritas as an authorized inspector for all countries to issue export inspection certificates for used motor vehicles and authorize license banks to release export inspection certificates of motor vehicles received without the stamp of the bank in country of export (required by the Regulation No. 5 of the Gazette Extraordinary No. 1804/17 dated April 03, 2013), through online verification.
29.04.2025	Imports and Exports (Control) Regulations No. 04 of 2025 (Gazette Extraordinary No. 2434/12 dated 29.04.2025) - To review the list of items for which the issuance of Import Control License has been suspended in terms of the Special Gazette No. 2312/77 dated 01.01.2023 and remove selected items from the list, and to remove the requirement of Import Control License on importation of electric motorcycles unregistered in any country (Brand-new).
05.05.2025	Imports and Exports (Control) Regulations No. 05 of 2025 (Gazette Extraordinary No. 2435/02 dated 05.05.2025) - To Incorporate National Subdivisions of the Harmonized System Codes published for electric motor vehicles by the Extraordinary Gazette No. 2434/02 dated April 28, 2025 in the Imports and Exports (Control) Regulations applicable to the importation of Motor Vehicles.
19.05.2025	Imports and Exports (Control) Regulations No. 06 of 2025 (Gazette Extraordinary No. 2437/04 dated 19.05.2025) - To remove the requirement of Import Control License (ICL) for the importation of raw non-iodized salt and edible iodized salt (powdered and granular salt), classified under the HS Code of 2501.00, until June 10, 2025.
15.08.2025	Imports and Exports (Control) Regulations No. 07 of 2025 (Gazette Extraordinary No. 2449/60 dated 15.08.2025) - To extend the validity period of the Imports and Exports (Control) Regulations No. 07 of 2024 (published in the Gazette Extraordinary No. 2384/34 of 17.05.2024) until September 30, 2025.
15.10.2025	Imports and Exports (Control) Regulations No. 08 of 2025 (Gazette Extraordinary No. 2458/43 of 15.10.2025) - To remove Import Control License (ICL) requirement for the import of GR 11/Ponni Samba rice, which is equivalent to Kiri Samba rice classified under Harmonized System Code 1006.30.29, until October 28, 2025.

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026 contd...

Effective Date	Measures
24.10.2025	Imports and Exports (Control) Regulations No. 09 of 2025 (Gazette Extraordinary No. 2459/46 of 24.10.2025) - To allow release of motor vehicles imported non-compliance with Regulation No. 5 of the Imports and Exports (Control) Regulations No. 02 of 2013 published in the Extraordinary Gazette No. 1804/17 dated April 03, 2013, from Sri Lanka Customs, under the negotiation conditions submitted to the Attorney General's Department by the Ministry of Finance, Planning and Economic Development in relation to the court case relating to said motor vehicles.
01.12.2025	Imports and Exports (Control) Regulations No. 10 of 2025 (Gazette Extraordinary No. 2465/07 of 01.12.2025) - To grant conditional exemptions from the import and export (control) regulations applicable to the customs clearance of goods provided by various foreign donors to those affected by sudden disaster situation caused by Cyclone Ditwah and granting permission to import unregistered (new) ambulances without air bags, received as donations or grants for the direct use of the 1990 Suwaseriya Foundation.
23.03.2026	Imports and Exports (Control) Regulations No. 01 of 2026 (Gazette Extraordinary No. 2481/02 of 23.03.2026) - To allow Air Carriers of Sri Lanka providing international air services to import retreaded aircraft tyres that confirm to the requirements specified by internationally accredited aviation authorities and are classified under HS Code 4012.13, subject to conditions.
31.03.2026	Imports and Exports (Control) Regulations No. 02 of 2026 (Gazette Extraordinary No. 2482/08 of 31.03.2026) - To update the Special Import License Regulations No. 01 of 2023, in accordance with the National Sub Divisions of the Harmonized System Codes published by the Revenue Protection Order published in the Gazette Extraordinary No. 2478/03 dated March 03, 2026.
Embarkation Levy – Finance Act, No. 25 of 2003	
31.01.2025	Gazette Notification No. 2421/30 dated 31.01.2025 - To extend tax exemption period for persons leaving Sri Lanka by aircraft from Mattala Rajapaksa International Airport (MRIA) for three years from the date of commencement of operations by an International Airline or 28.12.2025 whichever comes first. - To extend the concessionary rate of USD 30 on Embarkation Levy for persons leaving Sri Lanka by aircraft from Colombo International Airport Ratmalana (CIAR) and Jaffna International Airport (JIA).
29.12.2025	Gazette Notification No. 2469/03 dated 29.12.2025 - To extend tax exemption period for persons leaving Sri Lanka by aircraft from Mattala Rajapaksa International Airport (MRIA) for 18 months from December 29, 2025 to June 26, 2027.
International Telecommunications Operators Levy – Finance Act, No. 11 of 2004	
01.04.2025	Gazette Notification No. 2430/14 dated 01.04.2025 - To extend the current rate of levy payable on Incoming International Calls, Incoming International Calls on specific telephone numbers, Incoming Local Access Charge, Telecommunication Development Charge and Outgoing Local Access Charge for three years from January 01, 2025 to December 31, 2027.
Luxury Tax on Motor Vehicle – Finance Act, No.35 of 2018	
01.02.2025	Gazette Notification No. 2421/41 dated 31.01.2025 - To revise Luxury Tax on Motor Vehicles threshold by Rs. 1.5 million for each fuel category except electric.

Box 4.3 | Major Fiscal Measures: January 2025 – April 2026 contd...

Effective Date	Measures
29.04.2025	Gazette Notification No. 2434/05 dated 28.04.2025 - To impose Luxury Tax on motor vehicles for the newly created National Sub Divisions for electric motor vehicles with engine used (petrol, diesel or semi-diesel) only for charging the electric accumulator, not capable of being charged by plugging to external source of electric power.
Strategic Development Projects- Strategic Development Projects Act, No. 14 of 2008	
17.12.2025	Strategic Development Projects (Amendment) Act, No. 26 of 2025 - The Strategic Development Projects Act, No. 14 of 2008, was amended to give effect to the following key measures: • To Introduce Independent Evaluation Mechanisms • To Strengthen Compliance and Monitoring • To propose Tax incentives to align with Regional Peers • Institutional Realignment • To Estimate and Disclosure of Annual Tax Expenditure
08.02.2026	Gazette Notification No. 2474/66 dated 08.02.2026 - To prescribe eligibility criteria for a projects to be identified as a Strategic Development Project and applicable tax exemptions or concessions.
The Colombo Port City Economic Commission Act, No. 11 of 2021	
20.09.2025	The Colombo Port City Regulations No. 01 of 2025 (Gazette Notification No. 2454/62 dated 20.09.2025) - To provide guidelines on the granting of exemptions or incentives to businesses of strategic importance operating within the area of authority of the Colombo Port City.
20.01.2026	Colombo Port City Economic Commission (Amendment) Act, No. 1 of 2026 - The Port City Economic Commission Act, No. 11 of 2021 was amended to give effect to the following key measures: • To remove income tax exemption applicable on employment income of individuals employed within the area of Colombo Port City. • To Strengthen Compliance and Monitoring via Annual Estimation and Disclosure of Tax Expenditure, mandatory filing of Corporate Income Tax Returns and ongoing monitoring of performance targets (jobs, investment realized, time period stipulated) by Colombo Port City Economic Commission. • To provide regulatory measures including the effective banking supervision in line with international standards.

05
Government Expenditure

5.1 Overview

Sri Lanka's 2025 public expenditure focused strongly on navigating post-crisis economic recovery and adhering to the fiscal rules set by the Public Financial Management Act, while structurally continuing the ongoing stabilization policies of 2024.

The total government expenditure in 2025 in level figures and as a percentage of GDP increased compared to 2024. Primary expenditure and its components i.e., recurrent expenditure and capital expenditure and net lending increased in year 2025 compared to year 2024, while expenditure on interest payments recorded a decrease during the compared time period. The fiscal deficit, in terms of overall balance and primary balance improved significantly in year 2025, compared to the previous year.

Meantime, budgetary support was promptly extended for the provision of immediate relief to the people affected by the Cyclone "Ditwah", in the month of December 2025, through re-allocation of savings of provisions under 2025 Budget, with the approval of Parliament.

5.2. Government Expenditure in 2025

In 2025, Government expenditure in total increased by 1.6 percent to Rs. 6,230.4 billion from Rs. 6,130.7 billion in 2024. This was due to the increase in expenditure on personal emoluments, transfers including welfare programmes, retirements benefits and grants to provincial councils as well as overall increase in Capital Expenditure. However, the total recurrent expenditure decreased by 2.0 percent to Rs. 5,232.4 billion in 2025 from Rs. 5,339.9 billion in 2024, whereas capital expenditure and net lending increased by 26.2 percent to Rs. 998.0 billion in 2025 from Rs. 790.8 billion in 2024.

Interest payments decreased by 7.0 percent to Rs. 2,500.7 billion in 2025, from Rs. 2,689.5 billion in 2024. This was due to a net impact of the decrease of foreign interest payments by 14.5 percent and decrease of domestic interest payments by 5.7 percent. Non-interest recurrent expenditure increased by 3.1 percent to Rs. 2,731.7 billion in 2025 from Rs. 2,650.4 billion in 2024. This was mainly driven by an increase in spending on salaries and wages by 9.2 percent to Rs. 1,163.9 billion, largely stemming from the increase in salaries.

Expenditure on subsidies and transfers was Rs. 1,233.1 billion in 2025, remained almost same as previous year. This was mainly driven by spending on Social Security Programs including Aswasuma Household Cash Transfers and Pension and Retirement Benefits, Social Welfare programmes including Medical Supplies for Government Hospitals, Welfare Programmes on Health and Nutrition including School Nutritional Food Program and Development Subsidies including Fertilizer Subsidy.

Public investment increased by 24.3 percent to Rs. 1,015.8 billion in 2025 from Rs. 817.1 billion in 2024.

As a percentage of GDP, government expenditure slightly decreased by 1.3 percentage points to 19.0 percent in 2025 from 20.4 percent in 2024. This reduction was primarily driven by a decrease in recurrent expenditure by 1.8 percentage points to 16.0 percent of GDP in 2025 from 17.7 percent in 2024. As a percent of GDP, interest payments decreased by 1.3 percentage points to 7.6 percent in 2025 from 8.9 percent in 2024. Public investment as a percent of GDP increased to 3.1 percent in 2025 from 2.7 percent in 2024.

5.3 Appropriation Act for 2025

The Appropriation Bill 2025 was tabled in Parliament on January 09, 2025 and approved on March 21, 2025. The Bill was subsequently passed as the Appropriation Act, No. 03 of 2025. When the Appropriation Act was passed, the provisions that had been previously allocated through the Vote on Account by the Parliament on 06-12-2024 to budgetary provisions required for the first 04 months of 2025, was incorporated in the Appropriation Act. According to the Appropriation Act, the total government expenditure was estimated as Rs. 8,842 billion which included Rs. 5,920 billion for recurrent expenditure, Rs. 1,315 billion for capital expenditure, Rs. 1,600 billion for debt repayment and Rs. 7 billion for Advance Account activities.

Those provisions were allocated among 179 Expenditure Heads. The summary of three schedules included in the Appropriation Act, No. 03 of 2025 is detailed in Table 5.1. As per Section 2 (1) (b) of the Act, the Government borrowing limit for 2025 was Rs. 4,000 billion compared to Rs. 7,350 billion in 2024.

Table 5.1 | Schedules of the Appropriation Act for 2025

Rs. Billion

Schedule	Description	Amount
First Schedule	Expenditure of General Services of the Government by Programme	4,218
Second Schedule	Expenditure of the Government, authorized by law and to be charged on the Consolidated Fund	4,617
Third Schedule	Expenditure related to Advance Account Activities	7
Total Government Expenditure		8,842

Source : Department of National Budget

Special Law Warrants as Supplementary Allocations

In addition to the Special Law Warrant Authority No. 01 issued pursuant to the passage of the annual Appropriation Act, five (05) Supplementary Special Law Warrants in terms of the powers vested with the Minister of Finance, by virtue of the Constitution, were issued to authorize the withdrawal of money from the Consolidated Fund, enabling the meeting of additional fund requirements of the government that had been recognized as Special Law Services, in the Schedule 2 of the Appropriation Act, No. 03 of 2025, as tabulated in Table 5.2.

Table 5.2 | Supplementary Special Law Warrants Issued in 2025

Rs.

Authority No.	Expenditure Head No.	Institution	Purpose/Objective	Amount
2	16	Parliament	Provision of additional allocation to incur the increased salary of the Secretary Geneal, in terms of the Management Service Circular No. 04/2025.	430,000
3	4	Judges of the Superior Courts	Provision of additional allocation to incur the increased salaries of the Judges of the Supreme Court, in terms of the Management Service Circular No. 03/2025.	4,500,000
4	253	Department of Pensions	Provision of additional allocation to incur the pension to widows, widowers, and orphan pensioners, in terms of the Public Administration Circular No. 15/2025	3,000,000,000
5	7	Judicial Service Commission	Provision of additional allocation to incur the increased allowances of Commission members, in terms of the Management Service Circular No. 02/2025	400,000
6	249	Department of Treasury Operations	Provision of additional allocations for the payment of interest on Domestic debt.	39,700,000,000

Source : Department of National Budget

5.4 Supplementary Estimates

In 2025, Parliament has approved 06 Supplementary Estimates on 03 occasions (on September 11, 2025, October 08, 2025 and December 05, 2025) totaling to Rs. 151.3 billion. However, the total expenditure estimate remained unaffected following these supplementary allocations, as an equivalent amount of provisions were simultaneously withdrawn in terms of the section 07 of the Appropriation Act No. 03 of 2025. A summary of the allocations made under Supplementary Estimates is provided in Table 5.5.

5.5 Revised Budget for 2025

The budgetary allocations approved by Parliament were revised with the issuance of five Special Law Warrants and Special Warrants by the Minister of Finance, Planning and Economic Development. As such, Table 5.3 indicates the total budgetary allocation in 2025, after revising the budget estimates to account the above mentioned five Special Law Warrants.

Table 5.3 | Total budgetary allocations applicable for 2025

Rs.

Authority Source	Recurrent	Capital/Debt Amortization	Total
1st Schedule of Appropriation Act, No.03 of 2025	2,898,098,018,000	1,320,150,000,000	4,218,248,018,000
2nd Schedule of Appropriation Act , No.03 of 2025	3,021,901,982,000	1,594,850,000,000	4,616,751,982,000
3rd Schedule of Appropriation Act, No.03 of 2025			7,000,000,000
Supplementary Estimates approved by Parliament	53,000,000,000	98,394,600,000	151,394,600,000
Allocation withdrawn in order to provide Supplementary Allocations	-59,050,000,000	-92,344,600,000	-151,394,600,000
Supplementary Special Law Warrants issued by the Minister of Finance	42,705,330,000	-	42,705,330,000
FR transactions occurred from Recurrent to Capital	-35,036,998,825	35,036,998,825	-
Total Revised Budget	**5,921,618,331,175**	**2,956,086,998,825**	**8,884,705,330,000**

Source : Department of National Budget

5.6 Advance Account Activities

The Advance Account activities include the provision of loans to Public officers and commercial activities conducted by government ministries and departments. The estimated maximum expenditure allocated on Advance Account activities in 2025 was Rs. 44.2 billion and the actual expenditure has been reported as Rs. 33.4 billion. Accordingly, the Advance Account activities have been carried out within the total expenditure limits approved in the Appropriation Act No. 03 of 2025.

The minimum receipt target for 2025 has been estimated at Rs. 36.2 billion, and the actual receipts were Rs. 28.1 billion, thereby the minimum receipt targets was not achieved. This is mainly due to the inability to achieve the minimum receipt targets in the Advance Account under Subject No. 21302, which operates under the Department of Education Publications.

5.7 Public Expenditure Management

5.7.1 Transfer of Funds

The Section 5 of the Appropriation Act, No. 03 of 2025, empowered Secretary to the Treasury and Deputy Secretary to the Treasury/Director General of the Department of National Budget under the delegated authority of the Secretary to the Treasury to grant approval to reallocate or transfer unutilized provisions under the Virement procedure specified in Financial Regulation No. 66 to 69 (FR 66 to FR 69) from the original object code to another object code for which allocation is required, within the expenditure limit approved by Parliament to each Expenditure Head. In 2025, National Budget Department granted approval for 1,864 of such transfer applications amounting to Rs. 336 billion. Reports related to these FR transfers were tabled in parliament, in terms of the Section 24 (4) of the Public Financial Management Act, No. 44 of 2024.

Box 5.1 | Cyclone Ditwah 2025: Post-Disaster Needs Assessment and Recovery Outlook

Cyclone Ditwah, which made landfall in Sri Lanka on 28 November 2025, caused extensive damage across 22 districts, severely affecting lives, livelihoods, and critical infrastructure. The disaster led to widespread displacement, disruption of essential services, and significant impacts on economic activity. Notwithstanding these challenges, the resilience demonstrated by affected communities, local authorities, and emergency responders has been commendable.

In response, the Government of Sri Lanka, under the mandate of the "Rebuilding Sri Lanka" Presidential Task Force, initiated a comprehensive Post-Disaster Needs Assessment (PDNA). The assessment was led by the Disaster Management Centre and the Ministry of Defense, in collaboration with the Department of National Planning of the Ministry of Finance, with the support of all relevant government agencies and key development partners. The PDNA provides a rigorous, evidence-based evaluation of damages, economic losses, and recovery needs, forming the basis for coordinated recovery planning and resource mobilization.

The findings highlight the urgent need to restore housing, re-establish essential services including health, education, water, energy, and transport and revitalize livelihoods and local economies. Particular attention is given to vulnerable groups, including female-headed households, older persons, persons with disabilities, and low-income communities. The assessment further emphasizes the importance of adopting "Build Back Better" principles to ensure that recovery efforts strengthen resilience to future climate and disaster risks.

Key Highlights of the PDNA

The PDNA, initiated in January 2026, covers 22 districts and serves as the analytical foundation for the Government's recovery strategy under the "Rebuilding Sri Lanka" initiative. The total estimated impact amounts to LKR 618.1 billion in damages approximately and LKR 416 billion approximately in economic losses. Overall recovery and reconstruction needs are estimated at approximately LKR 1.0225 trillion approximately over a three-year period.

Cyclone Ditwah triggered severe flooding, landslides, and storm surges, inundating over 1.1 million hectares at its peak and displacing more than 232,000 people. As of January 2026, the disaster resulted in 646 fatalities, with 173 persons reported missing, while over 169,000 individuals remained displaced.

The disaster caused extensive infrastructure damage, including over 1,200 km of roads, numerous bridges, irrigation systems, and utility networks. More than 113,000 houses were damaged, with a significant number of households requiring relocation.

Economic disruptions affected over 45,000 enterprises and approximately 149,000 workers, with disproportionate impacts on informal sector workers and women. Agricultural losses were also substantial, with serious implications for rural livelihoods and food security.

Box 5.1 | Cyclone Ditwah 2025: Post-Disaster Needs Assessment and Recovery Outlook contd...

Recovery needs are geographically concentrated, with the highest requirements identified in Kandy, Nuwara Eliya, Badulla, Puttalam, and Kegalle districts, alongside notable impacts in Colombo. The Sectoral priorities are primarily concentrated in transport, housing, commerce and industry, and agriculture.

The event further exposed structural gaps in disaster risk management systems, including deficiencies in early warning mechanisms, land-use planning, and climate resilience. Environmental degradation has compounded these challenges by weakening natural protective systems.

Going forward, recovery efforts will priorities risk-informed and climate-resilient reconstruction, strengthened governance and disaster risk reduction systems, and inclusive approaches to ensure equitable outcomes. The PDNA findings will be operationalized through the development of a Disaster Recovery Plan (PDRP), to guide the prioritization, sequencing, and financing of recovery interventions.

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
1	His Excellency the President	To meet the shortfall of allocation required to pay increased salary of the Staff of Presidential Secretariat, as per the Public Administration Circular (PAC) No. 10/2025.	42,000,000	-
6	Office of the Public Service Commission	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	18,000,000	-
13	Human Rights Commission of Sri Lanka	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to account the balance of grant received from UNICEF to conduct awareness programmes under the EU-Sri Lanka Justice Reform Programme – (JURE).	20,200,000	2,300,000
101	Ministry of Buddhasasana, Religious and Cultural Affairs	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make budgetary provision for the expenses pertaining to "Sri Dalada Wandana -2025", to meet the expenditure of the construction of balance work of the Amaradewa Asapuwa, to meet the expenditure pertaining to the completion of the Amaradewa Aesthetic Research Center, to pay the annual subscription and contribution fees payable for the SAARC Cultural Center, to meet expenditure on contracted services at the Mahinda Rajapaksa National Tele-Cinema Park, Ranminitenna, to incur the expenditure pertaining to "Zheng He's Chinese Cooperation Programme" under grant assistance, to incur the expenditure on the "Project on Scientific Documentation and Conservation of the exposed Artifacts of the Godawaya Wooden Shipwreck" by United States Ambassadors Fund for Cultural Preservation (AFCP), and to pay the one-time allowance for cleaning and restoring religious places damaged due to the disaster.	134,071,804	163,255,322

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
102	Ministry of Finance, Planning and Economic Development	To provide the school stationery allowance for school aged children in 2026.	3,167,000,000	-
103	Ministry of Defence	To meet the shortfall of allocation to disburse the loan pertaining to "Reduction of Land Slides Vulnerability by Mitigation Measures (RLVMM) Project", to pay salary arrears of officers in Ranaviru Seva Authority, to provide disaster relief assistance for affected people by the adverse weather condition and for the rehabilitation and reconstructions activities of the disaster affected houses, to meet the shortfall of allocation required to pay increased salary, as per the Management Service Circular (MSC) No. 01/2025, to meet the expenditure for rehabilitation and reconstructions activities of the disaster affected houses due to the Ditwah cyclone, to incur the expenditure pertaining to the air transport cost of Sri Lankan Military Medical Contingent to Myanmar for providing reliefs to peoples effected by the earthquake, to incur the expenditure pertaining to the examination of affected landslides areas due to the Ditwah Cyclone and for the issuance of Landslide Investigation Reports, and to account the grant received from the People's Republic of China under the Emergency Humanitarian Assistance Program and to pay relevant taxes and duties thereof.	12,002,873,110	22,261,042,574
110	Ministry of Justice and National Integration	To settle professional legal fees for the legal services rendered towards MV X – Press Pearl Maritime Disaster, to utilize the grant received from International Organization for Migration (IOM) pertaining to the Community Based Micro Project, and to account the receipts of equipment under United Nation Office on Drug and Crime Project for Promoting the Remote Functioning of the Justice System in Sri Lanka.	36,700,000	21,675,127
111	Ministry of Health and Mass Media	To pay Personal Emoluments pertaining to Neville Fernando Teaching Hospital, to meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to pay personal emoluments of Vijaya Kumarathunga Memorial Hospital, to pay salaries and wages of Field Mosquito Control Assistants who were given permanent appointments, and to account the grant from United Nations Populations Fund's Annual Programme for Sri Lanka.	13,866,252,000	25,000,000
112	Ministry of Foreign Affairs, Foreign Employment and Tourism	To extend assistance to Myanmar, in response to the devastating earth quake.	310,000,000	-
117	Ministry of Transport, Highways, Ports and Civil Aviation	To make provisions for the implementation of Budget Proposal No. 12 – Installation of 16 No.s of Advanced Baggage Scanners at the entry/exit gates of Ports under Sri Lanka Port Authority, to provide subsidy for School and Higher Education Bus Season Tickets, and to make budgetary provision to carry out operational activities of the Multimodal Transport Centers.	1,870,000,000	400,000,000

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
118	Ministry of Agriculture, Livestock, Land and Irrigation	To meet the expenditure of Paddy Purchasing Programme by the Paddy Marketing Board, to grant financial subsidy, pertaining to the fertilizers to farmers cultivating paddy lands during the Maha Season 2025/26, to account the value of Mobile Seed Processing Machines granted by the Food and Agriculture Organization of the United Nations and to pay relevant taxes, to settle the outstanding dues to Agriculture Sector Modernization Project-Component 02, and to settle the bills of implemented activities under National Plant Quarantine Service.	1,840,000,000	2,091,313,093
124	Ministry of Rural Development, Social Security and Community Empowerment	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to implement the activities planned under Prajashakthi National Movement of Poverty Eradication in 2025, and to incur the expenditure pertaining to the implementation of World Food Programmes.	2,850,000	200,000,000
126	Ministry of Education, Higher Education and Vocational Education	to meet the shortfall of allocation required to pay increased salary, as per the MSC No. 06/2025, to meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to settle taxes and duties pertaining to clearance of Used Vehicle Training Models, for Strengthening Vocational Training Center Niyagama Project, to account the value of equipment received from the Government of India for Saraswathi Central College in Pussellawa and to pay relevant taxes thereof, and to settle the arrears of salaries payable to employees of University of Vocational Training.	1,354,660,000	189,162,000
130	Ministry of Public Administration, Provincial Councils and Local Government	To utilize the grant received from the United National Development Programme (UNDP) to implement the "Institutional Development of Divisional Secretariats and Citizen Awareness to Ensure better Service Delivery Project", to settle the bills in hand pertaining to the "Local Development Support Project", to meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to increase the provisions allocated to the Programme funded under United Nations International Children's Emergency Fund (UNICEF), to settle the outstanding bills of the Rural Bridges Project, and to account the grant received for Local Development Support Project.	2,000,000	2,728,268,000
135	Ministry of Plantation and Community Infrastructure	To utilize the grants received from private institutions to renovate and clean Estate Houses under the Clean Sri Lanka Programme, to settle the bills of Agriculture Sector Modernization Project (Component I), to meet the shortfall of allocation required to pay increased salary, as per the MSC No. 01/2025, to liquidate the Spice and Allied Products Marketing Board (Board) and to settle the outstanding payments owed by the Board to Government institutions and small, medium and micro-scale suppliers, to settle the refunding amount to World Bank under Agriculture Sector Modernization Project (Component-I), and to account the grant assistance provided for the "Supporting Genetic Improving of Tea Plants" by International Atomic Energy Authority (IAEA).	73,812,226	391,252,794

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
149	Ministry of Industry and Entrepreneur-ship Develop-ment	To meet the expenditure required for empowering disaster affected individual, small and micro enterprises due to the Ditwah cyclone, to meet the shortfall of allocation required to pay increased salary, as per the MSC No. 01/2025, and to provide compensation to Sugarcane Farmers.	120,520,122	1,000,000,000
151	Ministry of Fisheries Aquatic and Ocean Re-sources	To account the grant received for the "Aqua Planet Sri Lanka, International Expo – 2025" Exhibition, to pay special allowances for the officials who engaged in the administrative activities in connection with MV X-Press Pearl Maritime Disaster, to meet the shortfall of allocation required to pay increased salary, as per the MSC No. 01/2025, to make budgetary provision for the payment of compensation out of the funds received from the relevant shipping company, for fishermen who lost their livelihood due to the MV X-Press Pearl Maritime Disaster, and to make budgetary provision to complete the balance work under the reconstruction of Wattala Lunawa Moya Landing Site Breakwater.	174,313,322	32,185,756
160	Ministry of Environment	To meet the shortfall of allocation required to pay increased salary, as per the MSC No. 01/2025, to settle the taxes and other local expenses of the project of Enhanced Transparency Framework for Agriculture, Forestry, and Other Land Use Sectors, and to implement two new sub projects namely; "Preliminary Mangrove Carbon Stock Assessment for Sri Lanka" and "Study on Faunal Pioneers to Restored Mangroves & Mapping Seagrass-Mangrove Interphases using Satellite and Drone Technology" under grant assistance from Commonwealth Secretariat.	74,082,000	20,880,000
171	Ministry of Women and Child Affairs	To make provisions for the implementation of Budget Proposal No. 16 – Establishing a Child-friendly Transport System for Institutionalized Accused Children to and from Courts, to meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to account the grant received from the Government of United Kingdom to conduct awareness programs for school children on prevention of teenage pregnancy through Save the Children Organization, to account the value of the Tablets received as a grant from Japan International Cooperation Agency (JAICA) to be distributed among the Women Development Officers who work at Divisional Secretariat level under the Sri Lanka Women's Bureau, and to account the value of essential office equipment granted by Korea International Cooperation Agency (KOICA) under the project of Coordinating and Ensuring the Women Rights under the Sri Lanka Women's Bureau.	125,000,000	251,794,617
189	Ministry of Public Security and Parliamentary Affairs	To account the grant of WATERS RADIAN ASP Drug Testing Machine donated by Bureau of International Narcotics and Law Enforcement Affairs of USA to the National Dangerous Drugs Control Board and to settle custom duties thereof.	–	46,744,789
194	Ministry of Youth Affairs and Sports	To meet the shortfall of allocation required to pay increased salary, as per the MSC No. 01/2025,	16,500,000	-
202	Department of Muslim Religious and Cultural Affairs	To account the in-kind grant pertaining to the Ramazan Fast by the Kingdom of Saudi Arabia to settle relevant taxes and duties thereof.	46,375,800	-

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
206	Department of Cultural Affairs	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	40,240,708	-
207	Department of Archaeology	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to account a domestic grant received for the exploration and research of archeological places, to make provisions for the expenditure of conservation and maintenances of archeological sites, under the grant received from the Central Cultural Fund, and to make provisions for the expenditure pertaining to the conservation and reorganization of Kandy Rajawasala Building and Museum through grant funds of United States Embassy in Sri Lanka.	127,000,000	188,983,850
208	Department of National Museums	To meet the expenditure of Establishing an Automation system for the Library of National Museum donated by UNESCO.	-	163,260
209	Department of National Archives	To account the in-kind grant related to the Archives Management Project received from the National Archives of the Netherlands and to settle the relevant taxes and duties thereof, and to meet the shortfall of allocations pertaining to Cleaning, Janitorial and Security Services.	9,724,000	29,077,629
210	Department of Government Information	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	11,000,000	-
213	Department of Educational Publications	To settle the outstanding payment for the Office Automation System under General Education Modernization Project.	-	4,733,005
214	University Grants Commission	To meet the shortfall of allocation required to pay increased salary, as per the MSC No. 06/2025.	142,050,000	-
216	Department of Social Services	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, and to make provisions for the implementation of project "Inclusive Threads : Increasing employability of persons with Disabilities enrolling in Machine Operator Courses within Sri Lankan Apparel Sector" under the grant funds of International Labor Organization (ILO).	62,500,000	9,214,198
217	Department of Probation and Childcare Services	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	29,390,000	-
221	Department of Labour	To meet the expenditure of providing relief as a final settlement to employees of the Thulhiriya and Pugoda Textile Mills, who lost their jobs.	65,900,000	-
222	Sri Lanka Army	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	9,350,000,000	-
223	Sri Lanka Navy	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	400,000,000	-
224	Sri Lanka Air Force	To account the asset value of Helicopters, other vehicles, generators and equipment donated by the Government of the United States of America and Japan-Sri Lanka Friendship Association.	–	1,747,990,000
228	Courts Administration	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	525,000,000	-

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
232	Department of Prisons	To make budgetary provision to record the receipts of equipment for the Project for Promoting the Remote Functioning of the Justice System in Sri Lanka, under United Nations Office on Drugs and Crime (UNODC).	-	35,000,000
233	Department of Government Analyst	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	11,000,000	-
234	Office of the Registrar of the Supreme Court	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to settle outstanding lease rental payments.	25,800,000	-
237	Department of National Planning	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to meet the shortfall of allocation for essential recurrent expenditure, to account the in-kind assistance granted by the United States Department of Agriculture under the Promoting Autonomy, Literacy and Attentiveness through Market Alliance (PALAMA) Project in Sri Lanka – Phase II, and to meet the shortfall of allocation requirement to incur incidental allowances pertaining to foreign travelling.	6,944,712	1,627,450,003
241	Department of Public Enterprises	To settle statutory dues of Janatha Estate Development Board and Sri Lanka State Plantation Corporation, to settle the share claims of Lanka Canaries Limited employees, to pay salaries, wages and statutory payments pertaining to Lanka Building Materials Corporation Ltd, to deposit the due amount with the Court Registrar pertaining to the Court Order under the case of Lanka Tractors Ltd and Globe Commercial Trading Limited vs. Hon. Attorney General, to incur the payment of balance revised stamp's duty, to provide provisions to overcome the financial constraints of Lanka Sugar Company (Pvt) Ltd, to make equity contribution to settle the liabilities and statutory dues of Pelwatta and Sevanagala Sugar Factories, to settle consultancy charges payable to the Central Engineering Consultancy Bureau (CECB) by the Cey-Nor Foundation Ltd for the project on renovation of the Karainagar Boatyard, to provide equity capital contribution pertaining to the Sri Lanka Broadcasting Corporation, to provide additional allocation required for the acquisition of shares held by the Employees' Provident Fund in Canwill Holdings (Pvt) Ltd and to cover the subsidy on negative interest margins payable to National Savings Bank and to facilitate the proposed set-off mechanism.	1,670,425,486	5,127,700,000
242	Department of Management Services	To meet the expenditure for printing the "Staff Schedule" to be tabled in Parliament, to meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to incur the expenditure on partitioning of office rooms for new staff and purchasing of new computers and printing machines, and to meet the expenditure for essential and urgent rehabilitations and improvements.	28,205,618	8,750,000
243	Department of Development Finance	To incur the expenditure for providing essential food at a concessionary price during New Year period.	500,000,000	-

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
244	Department of Trade and Investment Policies	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	6,800,000	-
246	Department of Inland Revenue	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	219,000,000	-
247	Sri Lanka Customs	To incur the expenditure for land measurement services required for acquiring lands under the budget proposal 'Leveraging Sri Lanka's Strategic Location', to meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to account the value of equipment donated by the United Nations and the International Organization for Migration (IOM) and to bare the applicable taxes thereof, and to account the value of Full Body Scanner received by the Bandaranaike International Airport from International Organization for Migration (IOM) and to settle the associated tax related expenditure thereof.	185,000,000	93,088,755
249	Department of Treasury Operations	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	10,000,000	-
250	Department of State Accounts	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	6,600,000	-
251	Department of Valuation	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	55,000,000	-
252	Department of Census and Statistics	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to incur expenditure pertaining to the "Household Survey on the Impact of Economic Crisis 2023", through the grant assistance of UNDP, to make due payments for the personnel engaged in the Census of Population and Housing – 2021, and to incur the expenditure on other allowance.	169,076,000	348,381,279
253	Department of Pensions	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make pension Gratuity payments pertaining to the salary increments.	3,030,000,000	-
254	Department of Registrar General	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	104,000,000	-
255	District Secretariat, Colombo	To make provisions for the implementation of Budget Proposal No. 23 of 2025 – District Development Programs.	-	14,000,000
256	District Secretariat, Gampaha	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	207,000,000	19,000,000
257	District Secretariat, Kalutara	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	202,000,000	47,000,000
258	District Secretariat, Kandy	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	261,000,000	98,000,000

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
259	District Secretariat, Matale	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	101,500,000	83,000,000
260	District Secretariat, Nuwara-Eliya.	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	47,000,000	197,000,000
261	District Secretariat, Galle	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	191,000,000	42,000,000
262	District Secretariat ,Matara	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	66,960,000	76,000,000
263	District Secretariat , Hambantota	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	100,500,000	83,000,000
264	District Secretariat/ Kachcheri – Jaffna	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	170,919,000	40,000,000
265	District Secretariat/ Kachcheri – Mannar	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	10,000,000	115,000,000
266	District Secretariat/ Kachcheri – Vavuniya	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	11,000,000	113,000,000
267	District Secretariat/ Kachcheri – Mullaitivu	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	13,550,000	55,000,000
268	District Secretariat/ Kachcheri – Killinochchi	To make provisions for the implementation of Budget Proposal No. 23 of 2025 – District Development Programs.	-	61,000,000
269	District Secretariat/ Kachcheri – Batticaloa	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	101,000,000	87,000,000
270	District Secretariat, Ampara	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	287,680,000	59,000,000
271	District Secretariat/ Kachcheri – Trincomalee	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	18,000,000	60,000,000

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
272	District Secretariat, Kurunegala	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 23 of 2025 – District Development Programs, and to meet essential capital expenditure pertaining to plant, machinery and equipment.	497,300,000	52,600,000
273	District Secretariat, Puttalam	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	141,000,000	45,000,000
274	District Secretariat, Anuradhapura	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	181,000,000	73,000,000
275	District Secretariat – Polonnaruwa	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	55,000,000	87,000,000
276	District Secretariat – Badulla	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	126,000,000	157,000,000
277	District Secretariat, Monaragala	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	94,665,000	144,000,000
278	District Secretariat, Rathnapura	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	211,000,000	119,000,000
279	District Secretariat, Kegalle	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 23 of 2025 - District Development Programs.	151,000,000	77,000,000
280	Department of Project Management and Monitoring	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	4,000,000	-
281	Department of Agrarian Development	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to pay the one-time allowance for the crop damage or replanting of paddy on paddy lands affected by the disaster.	8,410,000,000	-
282	Department of Irrigation	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	192,765,835	-
285	Department of Agriculture	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to pay the one-time allowance for the crop damage or replanting of vegetables, grains, maize and other field crops on agricultural lands affected by the disaster and to account the value, and to pay relevant taxes pertaining to the Lab Equipment donated to National Plant Quarantine Service, under the Japanese Non-Project Grant Aid.	3,258,000,000	308,529,133

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
287	Department of Land Title Settlement	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make budgetary provisions to procure a Server System to enhance "E-Title System".	44,500,000	10,200,000
288	Department of Surveyor General of Sri Lanka	To account the value pertaining to 02 No.s of Drones and accessories for Topo Mapping through Fabric Data Collection, granted by the World Food Programe.	-	25,549,800
290	Department of Fisheries and Aquatic Resources	To incur the payment of annual subscriptions and contribution fee for the maintenance and improvement of VMS software, to incur the payment of compensation for a public officer who suffered injuries whilst on duty, to make budgetary provisions to provide compensation to the dependents of fisherman who lost their lives due to natural disasters, to make budgetary provisions to provide compensation as per the Court Order of the Eastern Provincial Civil High Court, Trincomalee pertaining to the case no. EP/HCCA/TCO/FA/11/21, and to account the value of two SSB Radios essential for fishing operations, granted by International Organization of Migration (IOM).	5,806,336	5,751,016
292	Department of Animal Production and Health	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to pay the one-time allowance for the Livestock Farms affected by the disaster.	35,500,000	2,200,000,000
293	Department of Rubber Development	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	14,000,000	-
294	Department of National Zoological Gardens	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	43,000,000	-
296	Department of Import and Export Control	To account the expenditure of the Electronic License System, based on the grant provided through the Export Control and Related Border Security Programme implement under the Embassy of the United State of America.	-	102,952,000
297	Department of The Registrar of Companies	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	6,000,000	-
303	Department of Textile Industries	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	17,000,000	-
304	Department of Meteorology	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to settle the outstanding bills for the construction works of Puttalam and Batticaloa Meteorological Office, and to meet the expenditure for maintenance of vehicles and purchasing of essential plant and machinery.	26,500,000	10,700,000
312	Western Provincial Councils	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	1,500,000,000	18,000,000
313	Central Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	500,000,000	23,000,000

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
314	Southern Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries, and to utilize the grant received for the completion of activities under the Establishment of Smart Class Rooms and Modern Computer Labs Project.	4,000,000,000	165,550,000
315	Northern Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 28 of 2025 - Improvement of Certified Schools/Remand Homes and Childcare Institutions, to Incur expenditure for the rehabilitation of damages caused by the Dithwa cyclone and floods, and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	2,636,990,000	568,580,000
316	North Western Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025 and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	4,400,000,000	21,000,000
317	North Central Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 28 of Budget 2025 – "Improvement of Certified schools/Remand Homes and Chidcare Institutions", and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	2,000,000,000	36,420,000
318	Uva Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 28 of 2025 – Improvement of Certified Schools/Remand Homes and Childcare Institutions, and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	3,300,000,000	74,000,000
319	Sabaragamuwa Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 28 of 2025 – Improvement of Certified Schools/Remand Homes and Childcare Institutions, and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	2,600,000,000	74,000,000
320	Department of Civil Security	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	1,316,000,000	-
321	Eastern Provincial Council	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025, to make provisions for the implementation of Budget Proposal No. 28 of 2025 – Improvement of Certified Schools/Remand Homes and Childcare Institutions, and to make provisions for the implementation of Budget Proposal No. 48 of 2025 Modernization of Regional Libraries.	3,700,000,000	83,000,000

Table 5.4 Ministry-wise summary of Additional Allocations granted from 01.01.2025 to 31.12.2025 Contd...

Rs.

Head	Ministry/ Department/ Spending Unit	Purpose	Recurrent	Capital
324	Department of Management Audit	To provide provisions to conduct Training Programmes on the Risk Management Framework for relevant Stake Holders and to account the grant received from the UNDP pertaining to Capacity Development Programme for Government Internal Audit Staff.	-	14,952,000
326	Department of Community Based Corrections	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	60,000,000	-
328	Department of Manpower and Employment	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	30,000,000	-
331	Department of Samurdhi Development	To meet the shortfall of allocation required to pay increased salary, as per the PAC No. 10/2025.	303,095,000	-

Source : Department of National Budget

5.7.2 Reallocation of Provisions as per section 6 of the Appropriation Act, No 03 of 2025

The "Development Activities Programme" under the Expenditure Head 240 – Department of National Budget, continued to facilitate unforeseen, unexpected or urgent additional allocations requirements of spending agencies in 2025. Accordingly, in line with the guidelines specified in printed Annual Budget Estimates 2025, Rs. 136 billion was reallocated (transferred) to other spending agencies as supplementary allocations for 2025. A summary of such allocation is detailed in Table 5.4. Reports related to these additional allocations were tabled in Parliament, in terms of the Section 6 of the Appropriation Act, No 03 of 2025, and section 25 (4) of the Public Financial Management Act, No. 44 of 2024.

5.7.3 Directives issued through Circulars on Expenditure Management, Budget Preparation and Execution

Guidelines for the management of Budget 2025 were issued through the National Budget Circular No. 01/2025. Meantime, facilitating the smooth functions of the Ministries, in compliance with the division of the subjects and functions of the Ministries as amended by the Extraordinary Gazette No. 2458/65 dated 18–10–2025, necessary instructions for the utilization of provisions specified in the Budget was issued through the National Budget Circular No. 04/2025. Further, in the wake of the disaster situation caused by the Cyclone Ditwah, guidelines required for the provision of immediate relief, restoration of disrupted lives of the people and implementation of the empowering program for the people effected were provided through National Budget Circulars No. 05/2025, 06/2025, 07/2025, 08/2025 and 08/2025(i). List of National Budget Circulars issued during year 2025 is given in Table 5.6.

5.8 Composition of Government Expenditure

In 2025, expenditure for interest payments of Rs. 2,500.7 billion constituted 47.8 percent of the total recurrent expenditure. The expenditure on transfers to households including Pensions, social safety net payments, free medical supplies, fertilizer subsidies, and nutritional programmes was Rs. 1,121.2 billion, constituting 21.4 percent of recurrent expenditure. The expenditure on salaries and wages amounted to Rs. 1,163.9 billion which is equivalent to 22.2 percent of recurrent expenditure.

Table 5.5 | Summary of Supplementary Estimates for 01-01-2025 to 31-12-2025

Supplementary No.	Head No.	Ministry / Department	Purpose	Amount (Rs.)
01-2025	123	Ministry of Urban Development, Construction and Housing	Supplying of Local Funds for settling unpaid bills by the China EXIM Bank for the Kandy North Pathadumbara Intergrated Water Supply Project and for the completion of the remaining works of the Project	13,285,600,000
02-2025	171	Ministry of Women and Child Affairs	Utilizing the budgetary provisions pertaining to the Budget Proposal to provide essential food items at concessionary prices during the Sinhala New Year season, for providing a nutritious food package to pregnant mothers	1,500,000,000
03-2025	117	Ministry of Transport, Highways and Ports and Civil Aviation	Supplementary budgetay provisions for 2025 under the Ministry of Transport, Highways, Ports and Civil Aviation to settle part of the loan obtained by the road development authority for Road Development Project	36,609,000,000
04-2025	243	Department of Development Finance	Settlement of the amount to be reimbursed to State Banks for providing concessional interest rates to senior citizens	31,500,000,000
05-2025	249	Department of Treasury Operations	Settlement of loans issued by State Banks to public institutions based on Treasury Guarantees that have expired and scheduled to be expired on 31.12.2026	18,500,000,000
06-2025	240	Department of National Budget	Provision of allocations for restoration of the disrupted lives of the people affected by the Emergency Disaster Situation through a Supplementary Estimate	20,000,000,000
				30,000,000,000
			Total	**151,394,600,000**

Source : Department of National Budget

Table 5.6 | Circulars issued in relation to the Public Expenditure Management and Cyclone "Ditwah" Relief Rehabilitation and Reconstruction Activities

Circular No.	Date	Subjects
01-2025	22-03-2025	Authorization for Incurring Expenditure and Management of Public Expenditure in the year 2025
02-2025	30-06-2025	Budget Call-2026 | Guidelines for the Preparations of Annual Budget Estimates-2026
03-2025	13-09-2025	Calling information for the procurement of vehicles and equipment for essential public services and field activities
04-2025	30-10-2025	Guidelines for the utilization of provisions specified in the Budget Estimate 2025 in compliance with the division of subjects and functions of the Ministries as amended by the Extraordinary Gazette No. 2458/65 dated 18-10-2025
05-2025	28-11-2025	Providing Relief for the People Affected by the Emergency Disaster Situation
06-2025	01-12-2025	Expeditious Restoration of Disrupted Lives of the People due to the Emergency Disaster Situation
07-2025	02-12-2025	Expeditious Restoration of Disrupted Lives of the People due to the Emergency Disaster Situation
08-2025	05-12-2025	Program for Empowering those Affected by the Disaster
09-2025	19-12-2025	Authorisation for Incurring Expenditure and Management of Public Expenditure during the Year 2026 under the Appropriation Act No. 23 of 2025
08/2025(i)	20-12-2025	Program for Empowering those Affected by the Disaster

Source : Department of National Budget

Table 5.7 | Government Expenditure by Categories

Rs. Billion

Expenditure Category	2024	2025 Estimate	2025[a]
Total Expenditure	**6,130.7**	**7,190.0**	**6,230.4**
Recurrent	**5,339.9**	**5,886.0**	**5,232.4**
Salaries and Wages	1,066.0	1,230.0	1,163.9
Goods and Services	350.9	416.0	334.7
Interest	2,689.5	2,950.0	2,500.7
Subsidies and Transfers	1,233.5	1,290.0	1,233.1
Capital and Net Lending	**790.8**	**1,304.0**	**998.0**
Public Investments	817.1	1,315.0	1,015.8
Other	(26.3)	(11.0)	(17.8)
As a % of GDP			
Total Expenditure	**20.4**	**21.8**	**19.0**
Recurrent Expenditure	**17.7**	**17.8**	**16.0**
o/w Interest Expenditure	8.9	8.9	7.6
Capital and Net Lending	2.6	4.0	3.0
O/w Public Investments	**2.7**	**4.0**	**3.1**

Source: Department of Fiscal Policy
[a] Provisional

5.8.1 Salaries, Wages and Allowances

The expenditure on salaries, wages, and allowances (Personal Emoluments) for public servants, including those in the Provincial Councils, Armed Forces, and Police, was Rs. 1,163.9 billion in 2025, an increase of 9.2 percent compared to Rs. 1,066.0 billion in 2024.

The expenditure on transfers pertaining to Personal Emoluments of the Provincial Councils increased by 10.3 percent, from Rs. 372.8 billion in 2024 to Rs. 411.3 billion in 2025. This increase was mainly due to the government's policy decision to increase the basic salaries of all public servants, in three phases, starting from April 2025.

Total pension payments increased by 12.3 percent, from Rs. 395.7 billion in 2024 to Rs. 444.5 billion in 2025. This increase was mainly due to the policy decision taken by the Government to rectify the pension anomalies, in relation to those who retired before 01.01.2020.

Table 5.8 | Expenditure on Salaries and Wages

Rs. Billion

Sector	2020	2021	2022	2023	2024	2025[a]
Government	270,521	297,349	367,467	327,290	371,017	424,445
Provincial Councils *	239,034	256,142	268,864	300,210	372,795	411,317
Defence**	199,474	205,542	222,996	217,868	190,375	212,287
Police and Public Security	85,129	86,646	96,884	94,127	131,861	115,892
Total	**794,158**	**845,680**	**956,210**	**939,495**	**1,066,048**	**1,163,942**

Source: Department of National Budget and Department of Fiscal Policy
[a] Provisional
** includes only the expenditure of government transfers*
*** This expenditure represents the Ministry of Public Secrurity, Department of Police and Civil Security Salaries and Wages*

5.8.2 Fiscal Decentralization

As per the 13th amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka, the Government on the recommendation of and in consultation with the Finance Commission, transfers funds to the Provincial Councils for recurrent and capital expenditure from the Annual Budget. Accordingly, the Government granted Rs. 534.9 billion directly to the Provincial Councils of which Rs. 470.3 billion was for the recurrent expenditure and Rs. 64.6 billion was for the capital expenditure. In addition, Rs. 3.0 billion was channeled through the Ministry of Public Administration, Provincial Councils and Local Government for capital expenditure.

Accordingly, a sum of Rs. 67.6 billion was transferred to Provincial Councils for capital expenditure in 2025. The transfer for recurrent expenditure increased by 14.9 percent in 2025 from Rs. 409 billion in 2024. This increase in recurrent expenditure was due to increased salaries and wages in terms of the Public Administration Circular No. 10/2025 dated 25.03.2025. The transfer for capital expenditure has also been increased by 76.9 percent in 2025 from Rs. 38.2 billion in 2024.

Table 5.9|Transfers to Provinces in 2025

Rs. Million

Provincial Council	Transfers 2025 [a]	
	Recurrent	Capital
Western	75,082	7,250
Central	59,750	7,919
Southern	61,017	7,342
Northern	43,354	9,366
North Western	57,690	7,817
North Central	35,201	6,760
Uva	41,688	6,210
Sabaragamuwa	46,995	4,060
Eastern	49,490	7,821
Provincial Projects implemented by the Ministry of Public Administration, Provincial Councils and Local Government	-	3,075
Total	**470,267**	**67,642**

Source: Department of National Budget, Department of State Accounts

[a] Provisional

5.9 Sectoral Classification of Government Expenditure

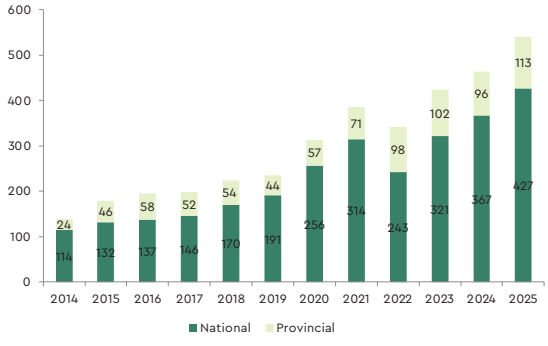
5.9.1 Human Resource Management

Health

Investments in Healthcare

In 2025, the Government and Provincial Councils collectively allocated Rs. 513.4 billion to sustain free healthcare services across the country, marking an increase of 10.7 percent compared to the allocation of Rs. 463.6 billion in 2024.

Figure 5.1 | Government Expenditure on Healthcare
(Rs. Billion)



Source : Department of National Budget

Curative Healthcare Services

With the increasing prevalence of non-communicable diseases such as cardiovascular diseases, cancers, diabetes and kidney diseases, the government committed to strengthening curative healthcare services. Rs. 154.1 billion was spent in 2025 for the procurement of essential medicines and biomedical equipment. Of that Rs.147.3 billion was spent on medical supplies while Rs. 6.8 billion was spent on bio medical equipment.

The year 2025 witnessed the successful completion of several key hospital infrastructure projects. These included the completion of the Specialized Maternity Care Unit at De Soysa Maternity Hospital for Women, the construction of a building for the office of Medical Officer of Health (MoH) at Wadugoda, Payagala, the development of the proposed Nephrology, Dialysis, and Transplant Unit at Teaching Hospital Karapitiya, the construction of a Specialized Pediatric Wards Complex at General Hospital, Ampara, and the establishment of an MRI Scan Unit at Provincial General Hospital, Badulla.

In addition, several projects for enhance administrative and support facilities including the construction of intern doctors' quarters at General Hospital Kalutara, as well as a three-story ambulance garage and minor staff rest facility at the same hospital were completed.

2025 marked the near completion of several projects, including a six-story accommodation building at the National Training School of Nursing in Sri Jayawardenapura and the construction of a linear accelerator room and radiotherapy department at Teaching Hospital Rathnapura.

The year 2025 witnessed the successful installation of essential machinery across several hospitals. Notably, a CT scan facility was installed at Teaching Hospital, Kalutara. In addition, a CT scanner was supplied to Teaching Hospital, Kurunegala, and a cath lab machine was provided to Teaching Hospital, Karapitiya.

Table 5.10 | Major Capital Investment in Curative Healthcare Services

Rs. Million

Investment Area	2019	2020	2021	2022	2023	2024	2025
Hospital Development Projects	8,196	31,058	18,657	24,143	11,135	11,819	15,548
Hospital Rehabilitation & Construction	6,381	3,734	5,067	2,595	7,602	12,042	5,908
Medical Equipment & Machinery	5,481	3,949	4,590	1,484	2,280	3,503	8,054
Beds &Furniture	346	235	230	125	246	688	8,024
Ambulances for Hospitals	–	–	–	1,608	–	–	507
Total	**20,404**	**38,976**	**28,544**	**29,954**	**21,263**	**28,052**	**38,041**

Source: Department of National Budget and Department of State Accounts
Note: Includes only Central Government Expenditure

Preventive Health care

In the area of preventive healthcare, government efforts continued to focus on communicable diseases such as dengue, rabies, and tuberculosis and non-communicable diseases including hypertension, diabetes, and kidney-related ailments. The total public investment for preventive healthcare in 2025 rose to Rs. 4,505.6 million. The National Thriposha Programme continued to be a cornerstone initiative, with an expenditure of Rs. 2,188 million, serving 614,955 registered beneficiaries including pregnant and lactating mothers and children aged three to five years. The programme remains pivotal in enhancing nutritional outcomes for vulnerable segments of population.

Promotion of Indigenous Medicine

The recognition and integration of traditional healing practices into the national health system remained a priority. The total investment in the promotion of indigenous medicine was Rs. 3,010.4 million in 2025. Efforts were made to strengthen research on medicinal plants, along with conservation and awareness programmes aimed at enhancing the global standing of Sri Lanka's indigenous medical system.

General Education

The total Government expenditure on school education amounted to Rs. 422.8 billion in 2025, reflecting an increase of 12 percent in 2025 compared to Rs. 377.3 billion in 2024. The recorded expenditure of the Ministry of Education was Rs. 111.9 billion while the Central Government transfers to the nine Provincial Councils for school education amounted to Rs. 310.8 billion. The recurrent expenditure increased by 10.7 percent to Rs. 397.7 billion in 2025 and capital expenditure increased by 38.9 percent to Rs. 25 billion in 2025.

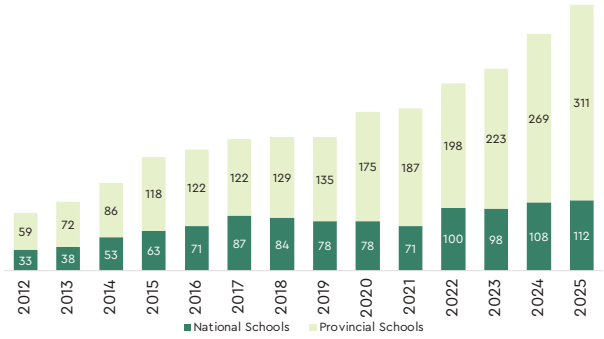
Table 5.11 | Expenditure on School Education in 2024–2025

Rs. Million

	2024			2025 [a]		
	Recurrent	Capital	Total	Recurrent	Capital	Total
Ministry of Education	98,390	10,127	108,517	101,605	10,356	111,961
Provincial Councils*[a]	260,898	7,923	268,821	296,137	14,715	310,852
Total	**359,288**	**18,050**	**377,338**	**397,742**	**25,071**	**422,813**

Source: Department of State Accounts, Finance Commission
**Includes Central Government Transfers to Provincial Councils (a) Provisional*

Figure 5.2 | Expenditure on School Education (2012–2025)
((Rs. Billion)



Source : Department of National Budget

Table.5.12 | Major Projects Implemented under the General Education Sector

Rs. Million

	2025 [a]
General Education Modernization Project	2,272
Technological Education Development Projects	478
Establishment of National College of Education for Technology Stream (GOSL/KOICA)	1,981
Completion of Upgrading facilities of 1000 Secondary Schools	264
Secondary Education Sector Improvement Program -SESIP (GoSL/ADB)	1,005

Source: Department of State Accounts, Department of National Budget

Table 5.13 | Expenditure on major Welfare Programs

Rs. Million

Program	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
School Nutrition Food Program *	4,434	5,325	5,063	2,299	1,685	3,308	12,500	21,185	27,484
Text Books	4,281	4,161	4,599	4,550	2,609	1,650	22,967	8,592	6,590
Uniforms	2,479	1,073	3,789	2,877	2,492	2,355	2,539	11,121	5,389
Shoes for Students in Difficult & Very Difficult Schools	640	220	640	492	901	967	1,838	891	2,499
Scholarships – Grade 5	602	605	607	872	791	855	880	900	1,605
"Suraksha" Insurance Scheme	2,700	33	1,833	1,500	3,331	993	1,128	1,202	2,383
Providing Sanitary Pads for Female Students	-	-	-	-	-	-	-	-	1,294
Providing school Stationery Allowance		-	-	-	-	-	-	-	9,527

Source: Ministry of Education and Provincial Councils, Finance Commission and Department of State Accounts
[a] provisional
** Included the School Nutrition Food Program payment of both provincial & National Schools*

Table 5.14 | Students Benefited by major Welfare Programs

Programme	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
School Nutritional Food Programe *	1,105,605	1,089,705	1,067,465	1,079,097	1,082,136	1,078,238	2,161,000	1,438,254	1,567,281
Text Books	4,355,101	3,628,951	3,642,528	4,180,000	4,180,000	4,180,000	2,683,888	3,872,276	3,841,819
Uniforms	4,326,951	4,357,797	4,725,445	4,180,000	4,180,000	4,180,000	4,559,420	4,559,420	4,640,086
Scholarships -Grade 5	144,739	130,000	135,000	130,457	103,800	145,000	112,118	125,000	125,000
"Suraksha" Insurance Scheme	-	40,978	74,328	100,000	34,778	35,906	28,968	2,838	44,736
Providing Sanitary Pads for Female Students	-	-	-	-	-	-	-	-	763,112
Providing school Stationery Allowance	-	-	-	-	-	-	-	-	1,615,773

Source: Ministry of Education, Provincial Councils, Finance Commission and Department of State Accounts
[a] provisional
** Included the School Nutrition Food program beneficiaries of both provincial & National Schools*

University Education

The total government expenditure on university education was Rs. 110.2 billion, in 2025 reflecting an increase of 13.1 percent compared to 2024. Out of the recurrent expenditure of Rs. 79.2 billion, Rs. 62.0 billion was spent on the payment of salaries and wages of 24,347 academic and non-academic staff in the higher education sector.

The total capital investment in 2025 amounted to Rs. 30.9 billion, compared to Rs. 28.7 billion in 2024. This funding was primarily allocated for the construction, rehabilitation, and improvement of capital assets, acquisition of fixed assets, human capital development, and strengthening of research activities. Out of a total 67 construction projects, 4 were successfully completed in 2025, 30 projects were pending final bill settlements and 33 projects were in progress at various Universities.

The Key accomplishments in 2025 include the construction of stage ii of Faculty of Technology, Wayamba University constructed at a cost of Rs. 2,308 million and the new student service center for the Faculty of Sciences at University of Colombo costing Rs. 487 million.

With the aim of expanding inclusion access to higher education, the University Grants Commission introduced policies on the admission of Students with Disabilities to Undergraduate degree programmes. In addition, university Business Linkage initiatives were further strengthened to enhance collaboration between university research and innovation activities and external business stakeholders, resulting in the receipt of 29 patents during the year.

In 2025, the University Grants Commission introduced and approved several new academic programs, including five new undergraduate programs, one undergraduate specialization degree program, twelve postgraduate degree programs, and three external degree programs.

Table 5.15 |Investment on Higher Education (2019–2025)

Rs. Million

Year	2019	2020	2021	2022	2023	2024	2025[a]
Recurrent	47,323	51,506	54,734	57,351	61,313	68,633	79,218
Capital	23,512	22,615	21,884	18,289	25,344	28,793	30,953
Total	70,835	74,121	76,618	75,640	86,657	97,426	110,171

Sources : Department of State Accounts, Department of National Budget
[a] Provisional

The number of students expected to be admitted to universities in 2025 under the 2024/2025 intake was estimated around 43,800.

Table 5.16 | Student intake

Academic Year	No. of Students
2019/2020	41,669
2020/2021	43,927
2021/2022	43,568
2022/2023	44,005
2023/2024	44,881
2024/2025	43,729[a]

Source : University Grants Commission
[a] Provisional

Mahapola and Bursary

Considering the rising cost of living, the monthly allowance of Mahapola and Bursary has been increased by Rs. 2,500 while continuing to provide financial assistance to undergraduates from households with an annual income below Rs. 500,000.

Table 5.17 | Financial assistance to university students

Rs. Million

Year	2019	2020	2021	2022	2023	2024	2025 [a]
Mahapola	1,269	1,366	1,138	952	1,192	1,141	2,785
Bursary	695	759	862	873	1,023	1,459	2,125
Total	**1,964**	**2,125**	**2,000**	**1,825**	**2,215**	**2,600**	**4,910**

Source: Department of National Budget
[a] Provisional

Table 5.18 | No. of University Students Benefited under the Financial Assistance Programmes

Year	2019	2020	2021	2022	2023	2024	2025 [a]
Mahapola	55,491	57,773	62,891	63,224	63,026	56,800	63,011
Bursary	22,923	23,494	29,491	33,842	32,292	35,944	29,323
Total	**78,414**	**81,267**	**92,382**	**97,066**	**95,318**	**92,744**	**92,344**

Source: University Grants Commission
[a] Provisional

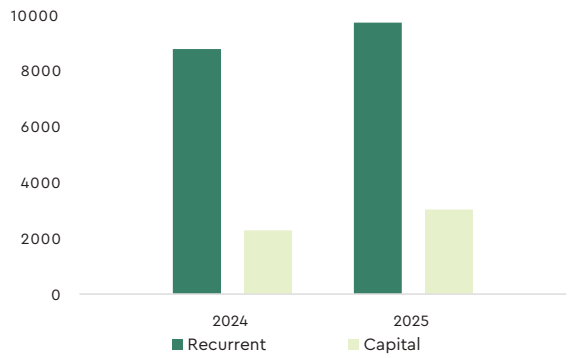
Non state Higher Education

Given the limited opportunities available in the state university system, Rs. 1.95 billion was invested in 2025 to continue the interest free loan scheme aimed at enhancing higher education opportunities for G.C.E. A/L qualified students in Non State Universities. Accordingly, 2,927 students were granted the opportunity to follow 125-degree programmes offered by 18 Non State Higher Education Institutes during the year under this loan scheme. Furthermore, presently, 23,162 students are continuing their studies in 18 Non State Higher Education Institutes, while, 7,123 students have already graduated under the loan facilitation.

Skills Development

The total expenditure on Skills Development and Vocational Education amounted to Rs. 12.8 billion in 2025, of which, Rs. 9.7 billion was incurred as recurrent expenditure, while Rs.3.0 billion was spent on capital investment. The total increase of 15.3 percent in 2025 compared to Rs.11.1 billion in 2024.

Figure 5.3 | Expenditure on Skills Development Sector, 2024 & 2025
(Rs. Million)



Source: Department of National Budget

Table 5.19 : Major Projects Implemented in 2025 on Skills Development

Rs. Million

Decription	2025 Expenditure
Vocational Training in Sri Lanka (GOSL – GIZ Germany)	775
Strengthening Vocational Training Center in Niyagama (GOSL-KOREA)	181
TVET Career Platform Project (GOSL- KOICA)	24
Establishment of Colombo Vocational Training Center and Gampaha Technical College (Post Completion support of K-TEC) (GOSL – EDCF)	484
Post Management Project for Automobile Workshops (GOSL- KOREA)	13
Nipunatha Sisu Diriya	899
Improvement of Vocational Training	83
Self-Employment Promotion Initiative (SEPI) Programme	25
Modernization of 7 Colleges of Technology/Technical Colleges	195
Development of Vocational and Technological Training	67

Source: Department of National Budget

Nipunatha Sisu Saviya

This scholarship program was introduced in 2021 to support children from economically disadvantaged families to complete their vocational education. Under the 2025 budget proposals, the monthly scholarship allowance was increased from Rs. 4,000 to Rs. 5,000. Accordingly, a total allocation of Rs. 0.9 billion was provided for 27,350 beneficiaries under this scholarship program in 2025.

Science and Technology

The total expenditure of the Research and Innovation sub sector was Rs. 4.4 billion in 2025. While the capital investment was Rs. 1.8 billion, the recurrent expenditure in institutions under the research and innovation sub sector was Rs. 2.6 billion.

Major projects implemented under this sector included Implementation of R & D Investment Framework, Improving Degraded Soil and Science and Technology Collaboration under Bilateral and Multilateral Cooperation School Science Society Programme. The expenditure details are illustrated in Table 5.20.

Table 5.20 | Major projects implemented in 2025 on Science and Innovation

Rs. Million

Description	2025 Expenditure
Implementation of R & D Investment Framework	2
Centre for Excellence in Robotic Application (CERA)	5
Science & Technology Collaboration under Bilateral and Multilateral Cooperation	6
National Science Day	15
NQI- Budget Proposal	743

Source : Department of National Budget

5.9.2 Transport

The transportation sector was identified as a high-priority area by the Government in 2025. The total expenditure in this sector amounted to Rs. 85.1 billion encompassing initiatives in bus transportation, railway development, transport terminal infrastructure, and the implementation of the Motor Traffic Act.

Bus Transportation

The government has spent Rs. 26.6 billion for the bus transport sector in 2025, of which Rs. 18.5 billion and Rs. 8.0 billion was spent as recurrent and capital expenditure, respectively. A total of Rs. 13.1 billion was spent on providing season tickets for the school and higher education students. Additionally, Rs. 3.7 billion was utilized for other relief measures, including the operation of Sri Lanka Transport Board (SLTB) buses on non-profitable rural routes and contributions to maintaining socially obligatory bus services. Capital expenditure amounted to Rs. 4.5 billion, covering improvements to the SLTB bus fleet and the printing of driving licenses.

Transport Terminal Development

The Government has spent Rs. 5.8 billion on the construction, operation and maintenance of Multimodal Transport Centers and the main construction includes the Kandy Multimodal Transport Terminal which facilitates public transportation within the Kandy city and surrounding areas.

Railways

In 2025, the Government spent Rs. 53.1 billion to the railway sector, of which Rs. 28.2 billion was incurred as recurrent expenditure and Rs. 24.8 billion as capital expenditure. The capital expenditure included investments in the Colombo Suburban Railway Efficiency Improvement Project and the Rehabilitation of Railway Track and Installation of Signaling from Maho to Omanthai. These projects were implemented with the objective of providing the public with a comfortable and uninterrupted railway service.

Table 5.21 | Major Projects Launched in 2025 on Public Transport

Rs. Million

Description	2025 Expenditure
Double Tracking of Railway Line from Polgahawela – Kurunegala, Rehabilitation of Railway Track & Installation of signaling from Maho – Omanthai	4,993
Rehabilitation of Passenger Coaches	199
Rehabilitation of Permanent Way with new Rails & Sleepers	4,450
Colombo Suburban Railway Efficiency Improvement Project	5,623
Subsidy for School & Higher Education Season Tickets	13,150
SLTB , Bus Operating on Unremunerated Routes in Rural Area	2,000
Augmentation of the SLTB Bus Fleet	3,839
Printing of Driving Licenses	718

Source : Department of National Budget

Port and Shipping

The government spent Rs. 4.7 billion in 2025 for the Port Shipping and Civil Aviation sector, of which Rs. 0.5 billion spent for recurrent expenditure and Rs. 4.2 billion for capital expenditure including Hingurakgoda International Airport Development Project.

Table 5.22 | Major Projects Launched in 2025 on Port and Shipping

Rs. Million

Description	2025 Expenditure
Construction of Building Complex related to Port Access Elevated Highway Project (GOSL-ADB)	72
Hingurakgoda International Airport Development Project	1,524

Source: Department of National Budget

Road Development

The road sector expenditure in 2025 represents one of the largest components of public sector expenditure in the country. In 2025, total actual expenditure for road sector development amounted to Rs. 365.1 billion, reflecting 36 percent of the capital expenditure, covering expressways construction, highways development, roads maintenance, and bridges and flyovers projects. These investments aim to improve national connectivity, reduce traffic congestion, support regional development, and facilitate economic growth.

A significant portion of the expenditure was spent on expressway development, which was recorded as Rs. 96.1 billion in 2025. In this category, the Central Expressway accounted for the largest share with Rs. 88.1 billion, mainly due to the recommencement of construction of the Kadawatha–Meerigama section in 2025. Other major project includes the Port Access Elevated Highway with Rs. 3.9 billion expenditure, designed to enhance access to the Colombo Port and reduce urban traffic congestion.

The largest portion of allocation was for highways development, amounting to Rs. 212.0 billion. Major initiatives include the Integrated Road Investment Programme, Inclusive Connectivity and Development Project, and several road rehabilitation projects such as the A-17 Road Corridor (Rakwana–Suriyakanda) and the Peradeniya–Badulla–Chenkalady Road rehabilitation. These projects focus on improving road quality, regional accessibility, and reducing traffic congestion, while rural connectivity was supported through the Rural Road Reawakening Programme (Maga Neguma). A significant part of this expenditure was used to early settlement of loans taken by the Road Development Authority, in order to free up the fiscal space for future development projects.

In addition, Rs. 49.1 billion was spent on road maintenance, including widening, improvement, and maintenance of national and provincial roads to ensure safety and extend the lifespan of the road network.

Finally, Rs. 7.8 billion was allocated for bridges and flyovers, including reconstruction of weak bridges, and construction of flyovers at key traffic locations such as Kohuwala, Gatambe, and railway crossings in Colombo.

Box 5.2 | Sri Lanka in the Digital Age: Opportunity, Readiness, and the Road Ahead

The global economy is undergoing an unprecedented structural transformation. The digital economy now accounts for approximately 15 percent of global GDP—roughly $16 trillion—and is fundamentally reshaping how nations produce, trade, and grow. Forecasts indicate it will expand at a compound annual growth rate of 7 percent, reaching $16.5 trillion by 2028 and representing 17 percent of global GDP[1]. For a small island nation like Sri Lanka—still in the process of rebuilding from its most severe post-independence crisis—this is not merely a global trend to observe, but a critical opportunity to seize.

The digital economy extends far beyond smartphones and social media. It encompasses e-commerce, digital finance, cloud computing, IT-enabled services, artificial intelligence, and the data infrastructure that underpins modern governance and industry. Research shows that every dollar invested in digital transformation generates $8.30 in returns within a country's broader digital economy—a multiplier effect few other investment categories can match[2]. Countries that lead in digital infrastructure advance decisively, while those that fall behind risk permanent exclusion from the fastest-growing segment of global trade.

Sri Lanka's economic recovery, which rebounded with approximately 5 percent growth in 2024 following a sharp contraction, has demonstrated resilience. However, the country must now shift from stabilization to transformation. The digital economy offers a clear pathway to achieve this.

Box 5.2 I Sri Lanka in the Digital Age: Opportunity, Readiness, and the Road Ahead Contd...

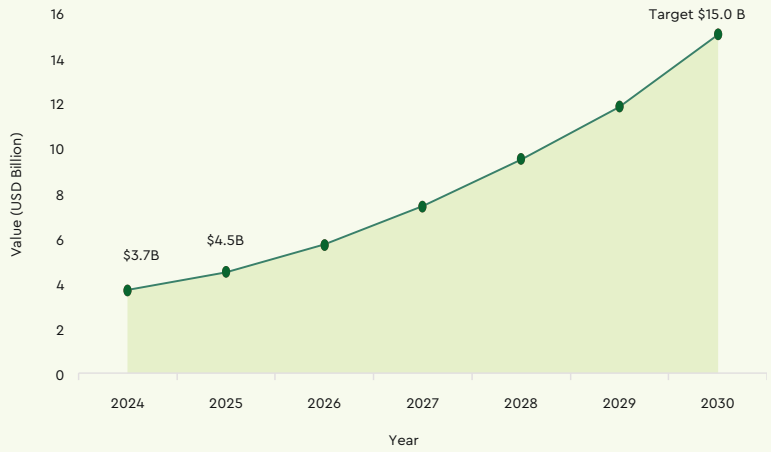
Current Landscape: Small Base, Significant Momentum

Sri Lanka's digital economy is estimated at Rs. 1,342 billion, representing approximately 4.5 percent of national GDP. While modest relative to regional peers, its growth trajectory is notably strong.

The sector is currently driven by two core pillars:

- **E-commerce:** Valued at Rs. 735.2 billion (2.47 percent of GDP). Notably, while card-based transactions totaled Rs. 367.8 billion in 2024, the overall market is nearly double that when accounting for the persistent prevalence of cash-on-delivery transactions.
- **ICT-BPM Services:** Contributing Rs. 606.7 billion (2.03 percent of GDP), this sector has become the country's third-largest export earner. Projections for 2025/2026 indicate a workforce of 200,000 professionals generating $3 billion in annual export revenue[3].

Projected Growth of Sri Lanka's Digital Economy (2024–2030)



[4]Sri Lanka's Digital Readiness: High Connectivity, Uneven Capability

Sri Lanka's digital readiness is characterized by strong connectivity infrastructure paired with uneven capability across sectors and regions.

Connectivity

Mobile internet penetration now exceeds 60 percent, while 4G coverage spans over 85 percent of the island. The ongoing rollout of 5G in urban hubs such as Colombo and Kandy is further narrowing the technological gap.

Payments

The LankaPay network has proven transformative. In 2025, digital payment volumes through the platform surpassed LKR 2 trillion, reflecting a significant shift in consumer trust toward digital transactions[5] .

The Divide

Despite 80 percent smartphone ownership, a digital divide persists. While 52 percent of internet users make monthly online purchases—led by clothing (43 percent) and electronics (22 percent)—this activity remains heavily concentrated in the Western Province.

Box 5.2 | Sri Lanka in the Digital Age: Opportunity, Readiness, and the Road Ahead Contd...

Strategic Direction: DIGIECON 2030

The government's DIGIECON 2030 strategy sets an ambitious goal: a $15 billion digital economy by the end of the decade[6]. To achieve this, policy focus has shifted from expanding connectivity to developing Digital Public Infrastructure (DPI)[7].

Key Milestones from 2026 Onward

- **SL-UDI (Unique Digital Identity)**
  Scheduled for rollout in late 2026, this initiative aims to serve as Sri Lanka's foundational digital identity system, integrating banking, taxation, and social welfare into a unified, secure ecosystem.
- **Digital Tax Reform**
  New frameworks are being introduced to formalize the digital marketplace, including value-added tax registration requirements for foreign digital service providers earning over Rs. 60 million in local revenue.
- **AI and Startup Ecosystems**
  With more than 1,000 active tech startups, the focus is shifting toward high-value sectors such as agrotech, fintech, and AI-driven logistics. These efforts are designed to reduce transaction friction within the traditional economy and unlock new avenues for growth.

[4] *The National Digital Economy Strategy (NDES) 2030 – Ministry of Digital Economy*
[5] *Central Bank of Sri Lanka (CBSL): Annual Economic Review 2024/2025*
[6] *The National Digital Economy Strategy (NDES) 2030 – Ministry of Digital Economy*
[7] *The National Digital Economy Strategy (NDES) 2030 – Ministry of Digital Economy*

Table 5.23 | Major Road Development Projects in 2025

Rs. Million

Project Name	2025 Actual Expenditure
Expressways	**96,118**
O/W Central Expressway	88,075
Port Access Elevated Highway	3,879
Elevated Highway from New Kelani Bridge to Athurugiriya	952
Colombo – Rathnapura – Pelmadulla Expressway	1,500
Highways Development	**212,053**
O/W Integrated Road Investment Programme	4,795
Western Province National Highways	281
Rehabilitation of the A 17 Road Corridor Project (Rakwana – Suriyakanda)	2,782
Rehabilitation of Peradeniya–Badulla- Chenkalady Road from Badulla to Chenkalady	2,825
Marine Drive Extension up to Panadura	40
Colombo District Road Development Project	2,005
Development of an alternative Road Network to Access Main Roads and Expressways and to ease the Traffic Congestion	6,750
Inclusive Connectivity and Development Project	9,704
Rural Road Reawakening Programme (Maga Neguma)	2,237
Maintenance	**49,135**
Widening, Improvement and Maintenance of National Roads	32,025
Maintenance of Provincial Roads	17,110
Bridges & Flyovers	**7,837**
O/W Reconstruction of 25 Bridges on National Highways	246
Reconstruction of Damaged/ Weak Bridges on National Highways	1,465
Second New Kelani Bridge Construction Project	833
Construction of Rural Bridges using old Bridge components	373
Design and Construction of Flyovers in Kohuwala and Gatambe	175
Construction of Flyovers over the Railway Line at Uttharananda Mawatha and near the Slave Island Railway Station	**4,264**
Total	**365,143**

Source : Department of National Budget

5.9.3 Social Welfare and Social Security

Government expenditure on social welfare and social security amounted to Rs. 1,082 billion in 2025, an increase of 14 percent compared to Rs. 949 billion in 2024. This increase was mainly driven by the rise in the monthly payments under the "Aswesuma" household cash grant programme for elderly persons, kidney patients, and persons with disabilities, as well as higher allocations for pensions and retirement benefits. Accordingly, the government has incurred an expenditure of Rs. 159.8 billion for household cash grants under the Aswesuma programme, Rs. 47.7 billion for the allowance for elders over 70 years of age, Rs. 5.2 billion for the allowances for Kidney patients and Rs. 15.6 billion for the allowance for differently-abled persons. Government spending on pensions and retirement benefits increased to Rs. 444.5 billion, compared to Rs. 395.7 billion in 2024, in parallel with the salary increase for government officers. Furthermore, Rs. 8.1 billion was allocated to continue the payment of monthly allowance of the Rs. 4,500 per "Poshana Malla" for further 10 months, under the Nutrition Food Package Programme, which aims to improve the nutritional level of expectant mothers.

Box 5.3 I Social Safety Nets

Sri Lanka has a long history of social protection systems, which began with traditional community support mechanisms and gradually evolved into formal, government-sponsored welfare programs. During the British colonial period, limited forms of government assistance such as poor relief and pensions were introduced; however, these were not implemented on a large scale. Following independence in 1948, Sri Lanka developed into a strong welfare state, introducing policies such as free education, free healthcare, and food subsidies etc. However, with the introduction of the open economic policy in 1977, there was a gradual shift from universal welfare benefits toward targeted assistance programs. Accordingly, programs such as *Janasaviya* and *Samurdhi*, which included financial assistance and community development initiatives aimed at poverty alleviation, were introduced.

In particular, during the period from 2020 to 2022, in response to the COVID-19 global pandemic and the most severe economic crisis faced by Sri Lanka, efforts were made to strengthen and improve the efficiency of the social protection system to ensure better support for vulnerable populations without exclusion. By 2023, the Government restructured its welfare system and introduced the *Aswesuma* program to expand coverage, improve efficiency, and enhance targeting accuracy. Beneficiaries are selected based on a multidimensional poverty index. To address shortcomings in previous programs and improve beneficiary coverage while minimizing inclusion and exclusion errors, a Social Registry Information System (SRIS) containing information on social protection beneficiaries has been established. Through the *Aswesuma* program, monthly financial assistance is provided to low-income households categorized as extremely poor, poor, and vulnerable.

In addition, the annual budget allocation for this program has been increased, along with the number of beneficiaries. Accordingly, effective from January 2025, the allowance for the extremely poor category has been increased from Rs. 15,000 to Rs. 17,500, while the allowance for the poor category has been increased from Rs. 8,500 to Rs. 10,000. The allowance of Rs. 5,000 for the vulnerable category continues to be provided without interruption.

Furthermore, the program has been expanded to include support for elderly individuals, persons with disabilities, and individuals suffering from chronic kidney disease within low-income families. From April 2025, the monthly allowance for kidney patients and persons with disabilities has been increased from Rs. 7,500 to Rs. 10,000, while the allowance for elderly individuals has been increased from Rs. 3,000 to Rs. 5,000.

Box 5.3 I Social Safety Nets contd...

In addition, for the year 2025, a sum of Rs. 6,000 per student has been allocated for the purchase of school stationeries for children from Aswesuma beneficiary families and those attending identified disadvantaged schools. The Government has spent Rs. 9.5 billion for this purpose[1].

Further, Government has allocated Rs. 250 million to provide a monthly allowance of Rs. 10000, each to low-income thalassemia patients.

Accordingly, in 2025, the Government has spent Rs. 237.9 billion on the above social protection programs, while Rs. 240 billion has been allocated for 2026.

At present, the Government is shifting its focus beyond welfare toward strengthening household economies. Efforts are being made to transition a significant number of Aswesuma beneficiaries into employment and income-generating activities. This aims to reduce long-term dependency on government assistance and promote self-reliance. For a pilot program, approximately 25,000 families have been selected with support from projects funded by the Asian Development Bank and the World Bank. Other eligible families are planned to be empowered gradually through domestic funding. For this empowerment program, Rs. 4.4 billion was allocated for 2025, of which Rs. 2.1 billion has been spent[2].

Furthermore, as Sri Lanka's first comprehensive social protection framework, the National Social Protection Policy has been officially approved by the Government. To operationalize this, a National Social Protection Strategy was also developed in 2025, providing a clear roadmap to strengthen program coordination, improve targeting accuracy, and enhance service delivery.

In 2025, Sri Lanka's social protection system has played a crucial role in protecting vulnerable groups and supporting economic recovery. With the introduction of the Aswesuma program, the social protection process has become more efficient through improved targeting and digitalization. However, further improvements are ongoing to ensure that the system remains more accurate, efficient, and sustainable in the long term.

[1] *Source: National Budget Department*

[2] *Source: Ministry of Rural Development, Social Security and Community Empowerment*

5.9.4. Agriculture

The government incurred Rs. 142 billion in 2025 for the agriculture sector, which is an increase of 17 percent compared to 2024.

Table 5.24 | Expenditure on Agriculture Sector in 2025

Rs. Million

Description	2025 Recurrent Expenditure	2025 Capital Expenditure	2025 Total Expenditure
Food Crops	75,599	35,497	111,096
O/w Fertilizer Subsidy	36,815	-	
Plantation Industry	4,735	3,935	8,670
Livestock Development	930	3,008	3,938
Fisheries and Aquatic Resources	4,828	2,889	7,716
Land and Land Development	7,498	2,885	10,383
Grand Total	**93,589**	**48,214**	**141,803**

Source : Department of National Budget

Agriculture – Food Crops

In 2025, the government spent Rs. 111.1 billion for food crop sector which mainly includes the expenditure on production and productivity improvement of paddy and other food crops, pre-harvest and post-harvest losses management, seed certification and plant protection, farmer empowerment and entrepreneurial development, risk mitigation and preparedness. Fertilizer subsidy for paddy was increased from Rs. 15,000 to Rs. 25,000 per hectare and therefore expenditure for fertilizer subsidy has been increased up to Rs. 36.8 billion in 2025. Rs. 6.2 billion was utilized for purchasing paddy through the Paddy Marketing Board, and it was able to maintain around 49,612 Mt of buffer stock of paddy during the year 2025.

In 2025, several projects and programmes continued to improve agricultural production through strengthening agriculture extension, production of seeds and planting materials as well as research and development. Rs. 6.6 billion was spent for the implementation of the Agriculture Sector Modernization Project, Smallholder Agribusiness Partnership Programme and Smallholder Agribusiness Resilience Project to improve the productivity, commercialization, value addition and market access for selected crops. Expenditure for the implementation of Farmer's Pensions Scheme was Rs. 5.3 billion.

High priority was given for the rebuilding of livelihood, affected by the cyclone Ditwah in November 2025. Aiming at speedy recovery of agriculture sector, Rs.7.49 billion and Rs. 0.8 billion were paid as compensation for affected paddy sector and selected other crops respectively.

In 2025, Rs. 2.0 billion was incurred through the Department of Export Agriculture to facilitate the production and quality improvements of perennial export crops such as Pepper, Cardamom and Cloves.

Plantation

In 2025, the government invested Rs. 8.7 billion on the cultivation of tea, rubber, coconut and cinnamon through the provision of extension services and planting materials at a subsidized rate. In addition, the Government continued the promotion of the value addition of the plantation crops and provision of financial assistance for replanting and new planting activities.

Fisheries

The government expenditure for the fisheries industry in 2025 amounted to Rs. 2.8 billion, of which Rs. 1.8 billion was spent for the rehabilitation and improvement of fishery harbours and anchorages to improve infrastructure facilities in the marine fisheries sector. Further Rs. 200 million was utilized in 2025 for the stocking of fish seed under the government investments to facilitate the inland fishery in the country.

Livestock

In 2025, Rs. 3.9 billion was incurred in the livestock sector including breeding farms, animal breeding through artificial insemination, disease control, and production of vaccines, livestock research and training programmes.

Compensation of Rs. 2.2 billion was paid for the losses of cattle, swine, goats, sheep, and poultry that were in registered livestock farms, due to the impact of Cyclone Ditwah.

5.9.5 Irrigation

The total government expenditure for the irrigation sector in 2025 amounted to Rs. 57.4 billion. During the year, priority was placed on the smooth implementation of ongoing projects, rehabilitation of minor tanks and canals, and improvement of existing medium and major irrigation schemes. Rehabilitation of major, medium and minor irrigation schemes also continued in 2025, especially focusing on the protection of the upper catchment area to ensure the water sources to down streams and desilting of reservoirs. In 2025, several ongoing mega scale development projects such as Mahaweli Water Security Investment Programme, Integrated Watershed and Water Resources Management Project, Uma Oya Downstream Development project, and Lower Malwathuoya Multisector Development Project were continued.

5.9.6. Housing and Common Amenities

Housing Development

Facilitation of housing is one of the key priority sectors of government expenditure. Total government expenditure for housing construction and related infrastructure development was Rs. 27.2 billion in 2025. Total capital investment for facilitation of housing needs increased by 52 percent in year 2025 to Rs. 26.2 billion from the amount of Rs. 17.2 billion in 2024. Accordingly, construction of 10,726 housing units were completed at the end of year 2025. out of which 10,304 housing units were completed by the Ministry of Housing, Construction and Water Supply and 422 housing units were completed by the Ministry of Plantation and Community Infrastructure. Urban Regeneration Program for the resettlement of underprivileged settlements in Colombo city and suburban area, providing permanent housing to underprivileged families in the Plantation Sector, Northern and Eastern provinces and housing programs operating in island wide targeting on low-income earners were main housing projects continued in 2025.

Urban Development

The Government expenditure on urban development sector focused on achieving sustainable urban development through creating well designed, green, clean and smart, urban settlements in strategic locations of the country. Total expenditure for urban development and waste management related activities was Rs. 7.0 billion in 2025. Out of the total expenditure, Rs. 3.7 billion was spent on urban development sector and Rs. 3.3 billion was incurred on waste management and environment protection related activities.

Table 5.25 | Major projects launched in 2025 on Housing & Urban development

Rs. Million

Description	2025 Expenditure
Urban Regeneration Programme	11,003
Siyak Nagara / Urban Infrastructure & Township Development Programm	712
Resettlement/ Permenant Houses for the Conflict Affected Families	3,304
"Samata Niwahana" Housing Programme (Obata Geyak Ratata Hetak)	4,120
Construction of 2,000 Housing units for the Low Income People (China Grant)	3,365
Indian Funded Housing Programme	2,224
Metro Colombo Solid Waste Management Project	119
Development of Strategic Cities – Anuradhapura – (GOSL-AFD)	436

Source : Department of National Budget

Drinking water and Sanitation

Total expenditure on water supply and sanitation increased by 15 percent to Rs. 36.4 billion in 2025 from Rs. 31.4 billion in 2024 owing to already implemented mega scale projects all over the country with a view to providing access to safe drinking water and quality sanitation facilities for its citizens. Out of the total expenditure of 2025, Rs. 640 million was spent as recurrent expenditure and Rs. 35.76 billion was spent as capital expenditure.

The Government invested Rs. 45 billion on water supply and sanitation through the National Water Supply and Drainage Board, using the proceeds of loans taken from both domestic and foreign banks, in year 2025.

Table 5.26| Major projects launched in 2025 on water Supply and Sanitation

Rs. Million

Description	2025 Expenditure
Kandy North & Pathadumbara Integrated Water Supply Project – (GOSL – China)	12,292
Capacity Enhancement & Distribution Expansion Project	7,154
Greater Colombo Water and Wastwater Management Improvement Investment Programme – Project 1,2,3(GOSL/ADB)	463
Water Supply and Sanitation Improvement Project (GOSL/WB)	3,913
Jaffna Kilinochchi Water Supply and Sanitation Project (GOSL/ADB)	5,409
Anuradhapura North Water Supply Project Phase 1& 2 (GOSL/JICA)	392
Ambathale Water Supply System Improvement & Energy Saving Project (GOSL/ France)	1,096
Greater Ruwanwella Water Supply Project (GOSL / Korea)	743
"Praja Jala Abhiman" Water Supply Scheme	978
Inter Provincial Projects / Programme	1,872

Source: Department of National Budget

5.9.7 Environment

The Government has placed significant importance on environmental protection and sustainable resource management. In 2025, it continued its strong commitment by spending Rs. 0.4 billion to address critical environmental issues and conduct various environmental programs. In addition, Rs. 0.2 billion was spent on major activities under Coast Conservation and Coastal Resource Management, while Rs. 0.1 billion was expended on the development of Botanical Gardens in Sri Lanka.

Further, The Government's environmental activities in 2025 also focused on forest conservation, wildlife conservation, and the development of zoological gardens.

Forest Conservation

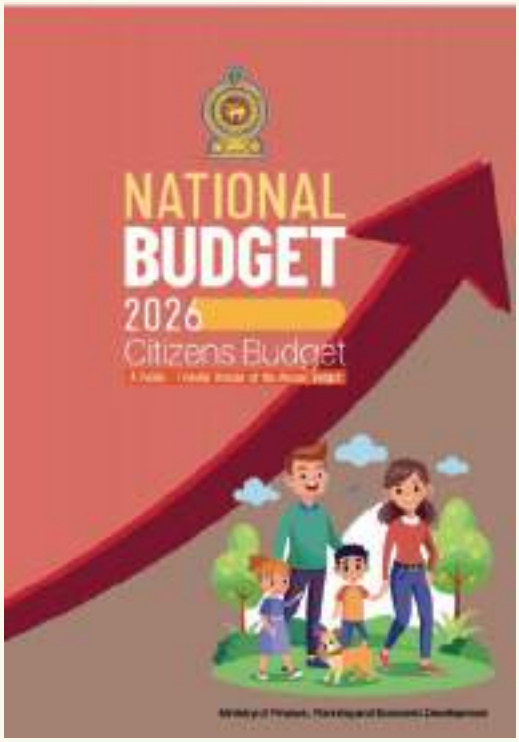
In line with enhancing sustainable forest management, the Government spent Rs. 1.0 billion on the expansion of forest coverage, which included key activities such as the establishment and maintenance of restored forests to promote natural regeneration, the promotion of commercial forestry and agroforestry, the development of horticulture, the conservation of mangroves, and the promotion of eco-tourism. In addition, Rs. 0.1 billion was spent for forest protection as well as research and development activities.

Wildlife Conservation

Under wildlife conservation, priority was given to mitigating the human-elephant conflict, with an expenditure of Rs. 0.3 billion in 2025. In addition, Rs. 0.2 billion was spent on the construction of electric fences, while Rs. 0.1 billion was utilized for habitat enrichment initiatives. Further, Rs. 0.1 billion was spent on improving road networks within national parks, and on the development and modernization of zoological gardens.

Box 5.4 I Citizens Budget

Section 20 of the Public Financial Management Act, No. 44 of 2024 introduces an important reform aimed at strengthening fiscal transparency and public accountability. It requires the preparation and publication of a public-friendly version of the annual budget, designed to communicate the key elements of government fiscal policy in a clear, concise, and easily understandable manner. This initiative recognizes that traditional budget documents—often structured around Ministries, Departments, and expenditure Heads—can be highly technical and difficult for the general public to interpret. As a result, many citizens and taxpayers may not fully understand how public funds are raised and utilized.



The public-friendly budget seeks to bridge this gap by presenting information in a simplified and accessible format. It highlights the government's main revenue sources, expenditure priorities, and policy objectives, enabling citizens to better understand how their tax contributions are allocated. By focusing on key sectors, programmes, and development projects, the document provides a more meaningful picture of how public resources are directed towards areas such as education, health, infrastructure, and social protection.

In 2026, the sector-wise allocations in Citizens Budget are as follows

- Healthier Life Towards a Healthier Society – Rs.657 billion
- Achieving Quality, Equity, and Excellence in Education – Rs. 708 billion
- Safe, Efficient, Eco-friendly and, Sustainable Transport Services – Rs.477 billion
- Support the Aspiration of Decent and Comfortable Living – Rs. 198 billion
- Productive, Modernized and Sustainable Agriculture – Rs. 284 billion
- Towards an Evergreen Life – Rs. 58 billion
- Commitment towards a Peaceful and Fair Society – Rs. 311 billion
- National Security – Rs. 407 billion
- Economic Services and Entrepreneurship – Rs. 124 billion
- Sustainable and Secure Energy Supply – Rs. 23 billion
- People Friendly Public Service – Rs.400 billion
- A Universal Social Protection System – Rs. 838 billion

06

Cash Flow Management, Deficit Financing and Debt

6.1 Overview

The government's continuous revenue-enhancing strategies have shifted the financial operations of 2025 from crisis management to a period of robust revenue mobilization and fiscal stabilization. Driven by the successful implementation of revenue-based fiscal consolidation measures and the structural reforms guided by the IMF-EFF program, total cash inflows through revenue reached an unprecedented level of Rs. 5,247.7 billion in 2025, surpassing the original estimate of Rs. 4,981.1 billion. This surge was primarily fueled by a historic performance in Tax Revenue collection, which totaled Rs. 4,999.4 billion, reflecting the impact of the upward revisions of tax rates, broadened tax base, and improved collection efficiency.

By significantly outperforming initial projections during the year, the Treasury strengthened its cash flow performances notably and moved toward more sustainable budget execution. Sri Lanka's government financial position reflected a notably improved liquidity status, supported by stronger revenue collection, prudent expenditure management, and enhanced access to both domestic and external financing, which helped maintain steady cash inflows. In addition, successful debt restructuring efforts and support from international financial institutions contributed to easing short-term repayment pressures, allowing the government to meet its obligations more comfortably. This positive liquidity position strengthened investor confidence, stabilized domestic money and capital markets, and provided a more resilient foundation for managing market interest rates at the desired level.

During 2025, government expenditure behavior reflected a continued shift toward fiscal consolidation and disciplined spending following earlier economic challenges. The Government prioritized essential and high-impact areas such as social welfare, public sector salaries, and debt service payments, while exercising tighter control over non-essential expenditures. The composition of spending showed a significant share allocated to debt servicing, highlighting the ongoing burden of public debt, even as restructuring efforts helped ease immediate pressures. At the same time, targeted subsidy reforms and better expenditure tracking improved efficiency and increased capital expenditure during latter part of the year reflected in the improved public investments. Overall, the government's spending approach in 2025 demonstrated a careful balancing act between maintaining fiscal discipline and supporting vulnerable groups and economic recovery alongside efforts to provide relief to populations affected by natural disasters, including Ditwah.

6.2 Treasury Cash Flow Management

Total cash inflows from revenue and other receipts excluding borrowing reached Rs. 5,247.7 billion in 2025, from which the majority or 95.3 percent contributed from tax revenue of Rs. 4,999.4 billion. Accordingly, tax revenue reflects a year-on-year increase of 37 percent over 2024 of Rs. 3,645.2 billion. This performance was primarily anchored by improved tax revenue collection which reached, significantly outperforming the initial estimate of Rs. 4,590.0 billion. In addition, non-tax revenue collection during the year was recorded as Rs. 247.9 billion which accounted for 4.7 percent of the total with an increase of Rs 43.8 billion or 21.5 percent over the previous year. These outcomes reflect the successful implementation of revenue-based fiscal consolidation measures, which have effectively transformed the government cash flow status through enhanced mobilization and disciplined fiscal policy.

Aligning with strict fiscal discipline, the Treasury maintained a rigorous expenditure management strategy throughout 2025 to ensure that outflows remained confined to approved budget to facilitate operational requirements and public investments. Accordingly, total funds released for recurrent payments for the period were recorded at Rs. 5,039.3 billion, against the estimate of Rs. 5,693.0 billion including interest cost of the government. The actual interest expenses incurred during the year 2025 was amounted to Rs. 2,431.6 billion reflecting 48 percent of the total recurrent expenditure complying with the government expenditure commitments. The second majority of the recurrent expenditure category of Rs. 1,324.6 billion was represented by Personal Emoluments, which was remained below the respective estimated thresholds.

Building upon the fiscal space created by the successful completion of the debt restructuring process at the end of 2024, the 2025 budget prioritized the delivery of essential public goods and the preservation of social safety nets. Accordingly, the government disbursed Rs. 426.3 billion in pension payments and allocated Rs. 197.5 billion toward Aswasuma and related social welfare initiatives. Furthermore, a dedicated investment of Rs. 38.1 billion was made toward fertilizer subsidies to support agricultural productivity, slightly exceeding the estimated Rs. 35.0 billion. Capital payments for infrastructure and development reached Rs. 851.8 billion, underscoring a commitment to broader economic stability while addressing the immediate needs of vulnerable populations. Paramountly, the government was able to settle all the arrears including dues brought forward from 2024 as well as committed during the year, while maintaining a reasonable cash buffer throughout the year.

A defining feature of the 2025 fiscal performance was the ability to maintain a positive cash balance throughout the year alongside the outperforming revenue collection during the year. As a result, Rs. 1,403.0 billion was provided from the Treasury cash flow to finance debt service payments including, down-sizing the outstanding Treasury Bill stock by Rs. 932.5 billion during the period under review, while maintaining a positive cash balance of Rs. 915.8 billion at the end of 2025 including the USD proceeds maintained in the Central Bank of Sri Lanka. This consolidation effort has not only strengthened the government's liquidity position but also contributed to a significant positive cash balance with state banks.

Financing the Treasury cash flow was mainly based on the government's borrowing strategy which, evolved towards the debt sustainability and the optimization of the government debt portfolio. Gross borrowing for the year totaled Rs. 3,092.0 billion, which was significantly lower than the estimated requirement of Rs. 3,322.4 billion. Simultaneously, the Treasury intensified its deleveraging efforts, dedicating Rs. 2,294.5 billion to debt repayments a substantial increase over the original estimate of Rs. 1,594.8 billion. This layered approach to fiscal management, characterized by a reliance on market-based financing and reduced dependence on monetary accommodation, has established a sustainable foundation for the country's future economic growth.

Table 6.1 | Government Treasury Cash Flow Operations – 2025

Rs. Billion

Item	2023 Actual	2024 Actual	2025 Estimate	2025 Actual
Opening Cash balance as at 1st January	-84.16	599.51	805.11	805.11
Total cash inflow from revenue and other receipts	**3,114.26**	**3,852.48**	**4,981.06**	**5,247.65**
Tax Revenue	2,661.20	3,645.20	4,590.00	4,999.45
Non Tax Revenue	452.16	204.01	361.06	247.90
Grant Receipts	0.90	3.27	30.00	0.30
Total cash outflow for recurrent payments	**-4,397.08**	**-4,835.03**	**-5,693.00**	**-5,039.28**
Personal Emoluments	-1,064.50	-1,219.48	-1,325.38	-1,324.61
Pension payments	-364.40	-393.96	-442.06	-426.27
Aswasuma payments	-145.00	-147.13	-232.50	-197.53
Fertilizer Subsidy	-34.18	-37.93	-35.00	-38.10
Other Recurrent	-523.20	-701.22	-908.06	-621.14
Interest	-2,265.80	-2,335.31	-2,750.00	-2,431.62
Total cash outflow for capital payments	**-1,762.80**	**-1,131.59**	**-1,137.41**	**-986.89**
Capital payments	-881.4	-810.37	-951.77	-851.77
Grant payments	-865.6	-6.40	-53.09	-5.82
Advance to Public Officers	-5.50	-13.37	-20.61	-17.34
Project payment (Foreign)	-10.3	-301.45	-111.95	-111.95
Net cash surplus / (deficit)	**-2,164.20**	**-2,114.14**	**-1,849.35**	**-778.51**
Utilization of gross borrowing	**8,136.90**	**3,680.74**	**3,322.44**	**3,092.53**
Debt repayment	**-5,330.88**	**-1,435.24**	**-1,594.85**	**-2,294.52**
Utilization of Net borrowing	**2,806.03**	**2,245.50**	**1,727.59**	**798.01**
Adjustment account balance (Temporary Employed Balance, net deposits, etc.)	**41.90**	**74.24**		**91.22**
Closing Cash balance as at 31st December	**599.52**	**805.11**		**915.83**

Source : Department of Treasury Operations

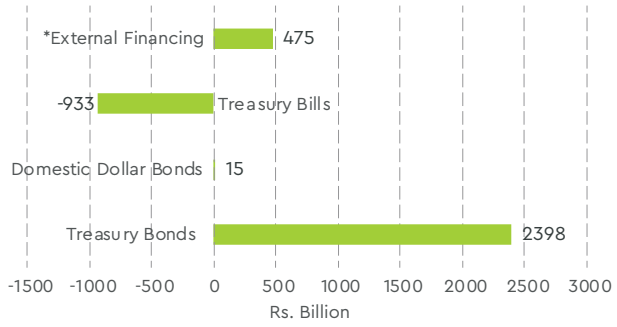
6.3 Government Borrowing Programme – 2025

In line with the provisions of the Public Debt Management Act No. 33 of 2024, the Government formulated the Annual Borrowing Plan for 2025 in accordance with the Medium-Term Debt Management Strategy (MTDS) 2025–2029. Accordingly, it was projected to raise Rs. 700 billion from external sources and Rs. 3,100 billion from domestic sources (excluding the rollover of Treasury bills) to finance the Gross Financing Requirement of the Government for the year, within the borrowing ceiling of Rs. 4,000 as stipulated in the Appropriation Act No. 3 of 2025.

Within this framework, the Government's actual borrowing during the year was less than 50% of the borrowing ceiling amounted to Rs. 1,956 billion, thereby supporting the country's debt reduction objectives, supported by existing cash buffer.

Figure 6.1 | Utilization of Borrowing Limit

(Rs. Billion)



Source: Public Debt Management Office
**Provisional*

The majority of the financing was sourced domestically, with Rs. 2,398 billion raised through the issuance of Treasury bonds in the domestic market. In addition, the Government raised USD 50 million (equivalent to approximately Rs. 15 billion) through the issuance of Domestic Dollar Bonds in 2025.

The remaining Rs. 475 billion was secured through external financing sources, including bilateral and multilateral loans. The Government's financing strategy focused on increasing reliance on domestic financing while reducing refinancing risk, interest rate risk, and currency risk within the debt portfolio.

6.4 Financing of the Budget

6.4.1. Foreign Financing

6.4.1.1 Foreign Financing Commitments

In 2025, the Government secured USD 1,228.1 million for foreign financing by entering into 14 agreements with foreign development partners as depicted in Table 6.2. Out of the total amounts USD 790.0 million and USD 206.1 million were committed with Asian Development Bank (ADB) and the International Monetary Fund (IMF), respectively.

The highest amount of commitment was made for the Budget Support which amounted to USD 706.1 million reflecting 58 percent of the total commitments in 2025.

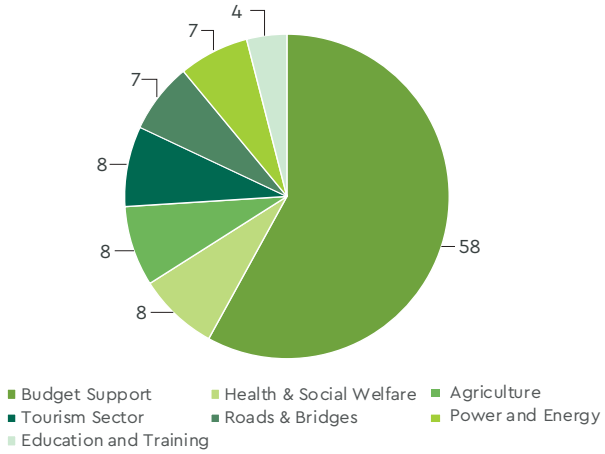
Table 6.2 | External Commitments 2025, by Development Partners

USD Million

Development Partner	Loan	Grant
Bilateral		
Japan		10.42
Korea		8.5
India		27.49
Multilateral		
Asian Development Bank	790.0	6.0
International Monetory Fund	206.1	
World Bank	180.0	6.2
Asian Infrastructure Investment Bank	52.0	
European Union		18.7
Total	**1,228.1**	**77.3**

Source :Public Debt Management Office, Department of External Resources
Notes: Financial values committed in difference currencies have been converted into USD and LKR as per the daily average exchange rates prevailed on each agreement date

Figure 6.2 | Loan Commitments 2025 by Major Economic Sector (%)



Source: Public Debt Management Office

Table 6.3 | Details of Foreign Financing Commitments with Terms – from 1st January to 31st December 2025

Development Partner/ Lending Agency	Instrument Type	Agreement Date (MM/DD/YYYY)	Project /Program/ Instrument Name	Amount Committed (million)				Financial Terms				Other Terms	
				Currency	Instrument Currency	Rupees	USD	Interest Type	Annual Rate (%)	Margin (100 basis points)	Other Charges	Grace Period (Years)	Maturity /Availability Period from the Date of Signing (Years)
Asian Development Bank	Loan	10/17/25	Strengthening Integrated Health Care and Governance for UHC Program	USD	100.0	30,298.7	100.0	Variable	SOFR	0.6	Commitment fee 0.15%	5	26
Asian Development Bank	Loan	10/31/25	Second Integrated Road Investment program – Tranche 5	USD	90.0	27,398.0	90.0	Variable	SOFR	0.7	Commitment fee 0.15%	8	29
Asian Development Bank	Loan	11/17/25	Sustainable Tourism Sector Development Program – subprogram 1	USD	70.0	21,446.2	70.0	Fixed	2	N/A	N/A	5	25
Asian Development Bank	Loan	11/17/25	Sustainable Tourism Sector Development Project	USD	30.0	9,191.2	30.0	Variable	SOFR	0.6	Commitment fee 0.15%	5	25
Asian Development Bank	Loan	11/17/25	Financial Sector Stability & Reforms program - Subprogram 3	USD	100.0	30,637.4	100.0	Fixed	2	N/A	N/A	5	25
Asian Development Bank	Loan	11/17/25	Strengthening Macroeconomic Resilience & Transparency Program – Subprogram 1	USD	100.0	30,637.4	100.0	Fixed	2	N/A	N/A	5	25
Asian Development Bank	Loan	12/5/25	Power sector Reforms and Financial stability Program – subprogram 2	USD	100.0	30,884.8	100.0	Variable	SOFR	0.5	Commitment fee 0.15%	3	15
Asian Development Bank	Loan	12/15/25	Mahaweli Water Security Investment Program Stage 2 Project	USD	200.0	61,829.7	200.0	Variable	SOFR	0.6	Commitment fee 0.15%	5	25
Asian Infrastructure Investment Bank	Loan	10/7/25	Kerawalapitiya Port 2nd Transmission Line Project	USD	52.0	15,728.9	52.0	Variable	SOFR 6 M	1	Commitment fee 0.25%	4	24

Table 6.3 | Details of Foreign Financing Commitments with Terms – from 1st January to 31st December 2025 Contd...

Development Partner/ Lending Agency	Instrument Type	Agreement Date (MM/DD/YYYY)	Project /Program/ Instrument Name	Amount Committed (million)				Financial Terms				Other Terms	
				Currency	Instrument Currency	Rupees	USD	Interest Type	Interest Annual Rate (%)	Interest Margin (100 basis points)	Other Charges	Grace Period (Years)	Maturity /Availability Period from the Date of Signing (Years)
International Development Association	Loan	12/3/25	Intergrated Ruban Development & Climate Resilience Project	USD	100.0	30,202.2	100.0	Variable				5	33
Intentional Monetory Fund	Loan	12/19/25	Rapid Financing Instrument	SDR	150.5	63,892.9	206.1	Variable	SDR rate			3	5
International Development Association	Loan	12/3/25	Secure, Affordable, and Sustainable Energy of Sri Lanka	USD	30.0	9,264.8	30.0				Commitment fee 0.5%	6	12
International Development Association	Loan	12/19/25	General Education modernization project – Additional Financial Facility (Portion A)	USD	24.5	7,577.2	24.5					5	30
International Bank for Reconstruction and Development	Loan	10/9/24	General Education modernization project – Additional Financial Facility (Portion A)	USD	25.5	7,908.6	25.5				Commitment fee 0.5%	6	11

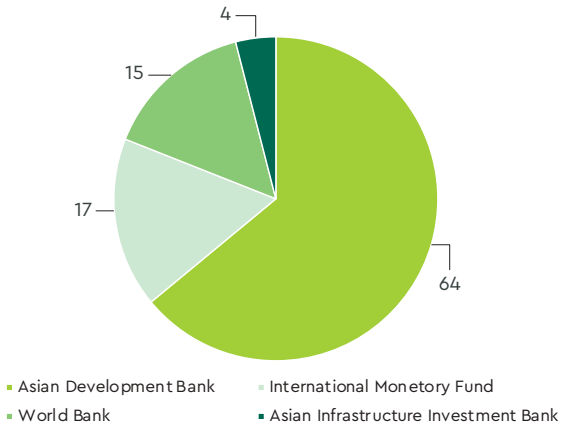
Source: Public Debt Management Office
Notes: SOFR = Secured Overnight Financing Rate
Financial values committed in difference currencies have been converted into USD and LKR as per the indicative exchange rates published by CBSL prevailed on each agreement date
For conversion of SDR into USD, month-end exchange rate of SDR prevailed on the end of previous month published by CBSL have been used

Table 6.4 | Details of Grants Commitments with Terms – from 1st January to 31st December 2025

Development Partner	Signed Date	Project/Program/ Instrument Name	Amount (Mn)		
			Currency	In Instrument Currency	USD
Government of Japan	03.02.2025	Grant Assistance to obtain Twenty Eight Garbage Compactors under the Economic and Social Development Programme of the Government of Japan	JPY	300	1.92
Government of Japan	20.03.2025	Establishment of Firefighting Units and Upgrading of Equipment to Ensure Safety of the Board of Investment (BOI) Export Processing Zones (EPZ) under the Economic and Social Development Programme	JPY	300	2.02
Japan International Cooperation Agency (JICA)	29.09.2025	Enhancement of Productivity in the Dairy Sector	JPY	463	3.13
Embassy of Japan	29.09.2025	Official Security Assistance (OSA) to the Sri Lanka Navy	JPY	500	3.35
Korean International Cooperation Agency (KOICA)	03.07.2025	Establishment of IT Master Plan on Tax Administration and Implementation of E-Tax System for Colombo Municipal Council Project in Sri Lanka	USD	8.5	8.5
Government of India	15.01.2025	Supply of Single cabs (80) for used in the SL police stations in Northern province	USD	1	1
Government of India	16.01.2025	Establishment of 60 smart class rooms – Nuwara Eliya, Kandy, Badulla Districts	USD	1.69	1.69
Government of India	20.03.2025	Rehabilitation of signaling the Tele communication system from Maho to Anuradhapura	USD	14.9	14.9
Government of India	05.04.2025	Implementation of Indian Multi Sectoral Grant Assistance for Eastern Province	USD	7.9	7.9
Government of India	09.09.2025	Construction and Supply of Medical Equipment for Accident and Emergency unit at District General Hospital, Mannar	USD	2	2
European Union	23.09.2025	Support Sustainable Economic Recovery through Biodiversity Conservation and Waste Management	EUR	8	9.27
European Union	17.12.2025	AgriGreen Initiative – Green Economic Growth through Sustainable Agricultural Practices	EUR	8	9.39
Asian Development Bank	05.12.2025	Cyclone Ditwah Emergency Response Project	USD	3	3
Asian Development Bank	19.12.2025	Transforming Irrigation Systems for Improved Food Security	USD	3	3
World Bank	31.10.2025	Supporting the Development of Port & Logistic Sector in Sri Lanka	USD	3	3
World Bank	29.08.2025	Tourism for heritage, resilience, inclusion value – driven employment project	SDR	1.63	2.2
World Bank – IDA	29.08.2025	IRDP (Integrated Regional Development in Northern & Eastern Province)	SDR	0.74	1

Source: Department of External Resources

Figure 6.3 | External New Loan Commitment 2025, by Development Partners (In percentage)



Source: Public Debt Management Office

6.4.1.2. Foreign Loan Disbursements and Utilization

Total foreign loan disbursements during the period from 1st January to 31st December 2025 has been recorded as USD 1,780.3 million.

The majority of the disbursements recorded in corresponding year were from IMF, accounting around 50 percent of the total disbursements, followed by ADB (29 percent) and WB (11 percent).

Table 6.5 | Disbursements of Foreign Loans and Grants from January 1 to December 31, 2025

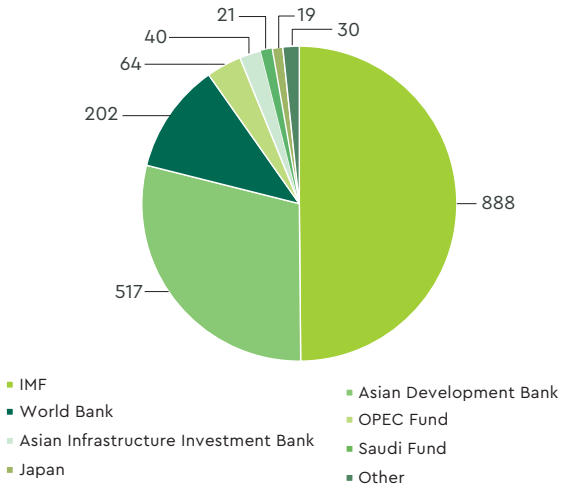
USD Million

Development Partner	Loan	Grant
Bilateral		
China		29.5
USA		23.3
Saudi Fund	20.9	
Japan	19.2	5.4
India	13.1	16.2
Korea	1.2	9.2
Netherlands	2.6	
Other		8.8
Multilateral		
**International Monetary Fund	887.7	
Asian Development Bank	517.3	1.8
World Bank	201.6	5.2
OPEC Fund	64.2	
Asian Infrastructure Investment Bank	39.6	
European Investment Bank	9.4	
International Fund for Agricultural Development	3.5	
Other		12.2
Total	**1,780.3**	**111.7**

Source: Public Debt Management Office, Department of External Resources
For conversion of disbursements made in different currencies into USD, the indicative exchange rates prevailed on each disbursement date published by CBSL have been used
*** For conversion of SDR into USD, monthend exchange rate of SDR applied to the end of previous month published by CBSL have been used.*

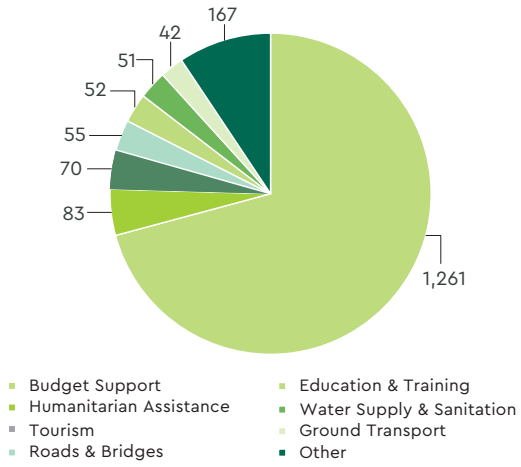
The majority of the disbursements was utilized as Budget Support accounting for almost 71 percent of the total disbursements, followed by the Humanitarian Assistance at 4.6 percent, Tourism 4 percent, and Roads and Bridges at 3 percent.

Figure 6.4 | Loan Disbursements in 2025, by Major Development Partners (USD Million)



Source: Public Debt Management Office
Other = International Fund for Agricultural Development,Netherlands, India, European Investment Bank, Korea

Figure 6.5 | Disbursements in 2025, as per the Sector (USD Million)



Source: Public Debt Management Office

6.4.1.3. Committed Undisbursed Balance (CUB)

As at 31st December in 2025, the total undisbursed balance of foreign financing available from the loans committed, was USD 4,639 million. Major portion of the balance is to be disbursed from the projects committed with China and followed by the Japan, ADB and WB respectively.

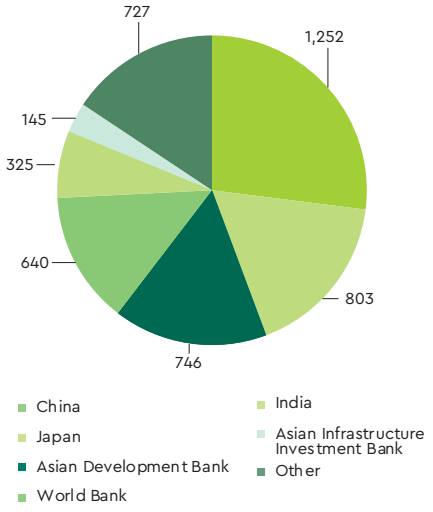
Almost 27 percent of the CUB is to be utilized in Roads and Bridges sector whereas 16 percent is for Water Supply and Sanitation and 11 percent in Ground Transport sector.

Table 6.6 | Committed Undisbursed Balance as at 31st December 2025

Economic sector	CUB* (USD Million)
Roads and Bridges	1,245
Water Supply & Sanitation	725
Ground Transport	509
Education & Training	330
Health & Social Welfare	367
Power & Energy	249
Irrigation & Related Activities	196
Other	1,017
Total	**4,639**

Source: Public Debt Management Office
**Provisional due to interim policy of debt Standstill*

Figure 6.6 | CUB for Development Projects and Programs, by Development Partner/Lending Agency as at 31st December 2025 (USD Million)



Source : Public Debt Management Office
**Provisional due to interim policy of Debt Standstill*

6.4.2. Domestic Financing

In 2025, the Government planned to raise Rs. 3,100 billion from domestic sources. Of this, Rs. 2,398 billion was mobilized through the issuance of LKR-denominated Treasury bonds, alongside USD 50 million (equivalent to Rs. 15.5 billion) raised through dollar-denominated Treasury bonds in the domestic market. In line with the Medium-Term Debt Management Strategy to reduce reliance on Treasury bills, the Government successfully reduced the outstanding stock of Treasury bills by Rs. 933 billion.

6.5 Debt of the Government (Gross)

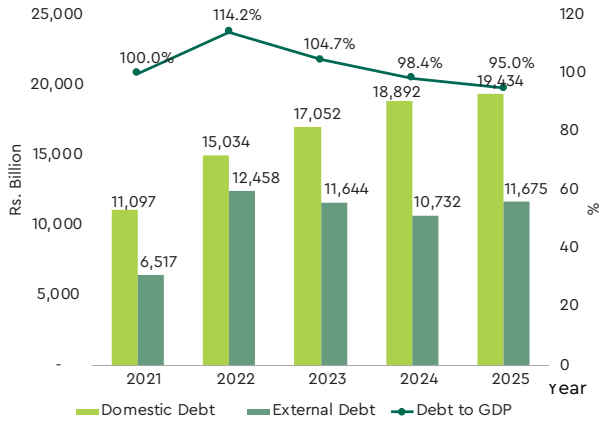
The total outstanding central government debt, in nominal terms, increased by 5.0 percent to Rs. 31,109 billion by the end of 2025 compared to Rs. 29,624 billion by the end of 2024. This was mainly due to the increase in both domestic and foreign debt components during 2025.

Of the total debt, domestic debt increased by 2.9 percent to Rs. 19,434 billion at the end of 2025 from Rs. 18,892 billion at the end of 2024 while foreign debt increased by 8.8 percent to Rs. 11,675 billion at the end 2025 from Rs. 10,732 billion at the end 2024. The share of domestic debt in the total debt stock declined slightly to 62.5 percent at the end of 2025 from 63.8 percent recorded at the end of 2024. In contrast, of the total debt stock, the share of foreign debt increased marginally to 37.5 percent at the end of 2025 from 36.2 percent at the end of 2024, mainly due to depreciation of rupee value.

6.5.1. Government Debt to GDP

The Government debt-to-GDP ratio has continuously declined over the past three years from the peak level recorded in 2022. This improvement is mainly attributable to the implementation of fiscal reforms and the gradual recovery in the country's macroeconomic conditions.

Figure 6.7 | Central Government Debt



Source: Central Bank of Sri Lanka & Public Debt Management Office
** Provisional*

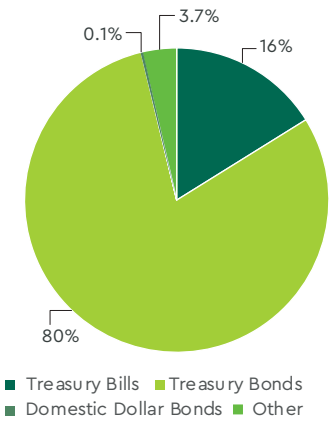
6.5.1 Domestic Debt

6.5.1.1 Composition by Type

As at end 2025, Treasury Bonds and Treasury Bills stood at 80 percent and 16 percent, respectively of the outstanding domestic debt. The stock of Treasury Bonds increased by 10 percent to Rs. 15,567 billion in 2025 compared to Rs. 14,139 billion recorded in 2024. Treasury Bills stock decreased by 22.9 percent to Rs. 3,138 billion in 2025 compared to Rs. 4,070 billion in 2024. The Government issued Domestic Doller Bond to the local market amounting to Rs. 15.5 billion. Other domestic debt instruments, including Term Loans payable to Bank of Ceylon and People's Bank, Suhurupaya Loan, Gratuity Loan, Development Project Loans, amounted to Rs. 714 billion at end 2025.

There were no outstanding stocks under Sri Lanka Development Bonds and Provisional Advance obtained from the Central bank of Sri Lanka.

Figure 6.8 | Composition of Domestic Debt (By Type)

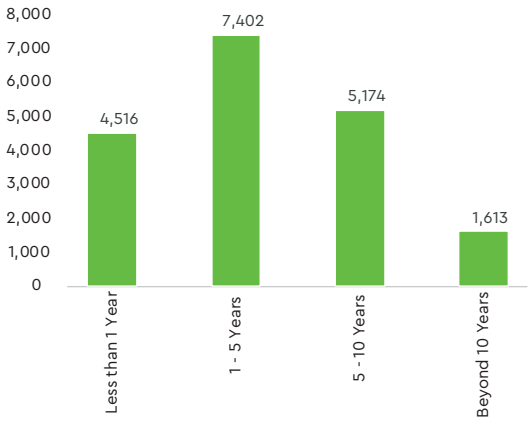


Source: Central Bank of Sri Lanka & Public Debt Management Office
** Provisional*

6.5.1.2 Domestic Debt Securities Composition by Maturity

The share of domestic debt maturing within a year from the total outstanding stock of Treasury Bills and Treasury Bonds represented 24.1 percent while the balance 75.9 percent represented maturities beyond 2026.

Figure 6.9 | Domestic Debt Maturity Profile
(Rs. Billion)

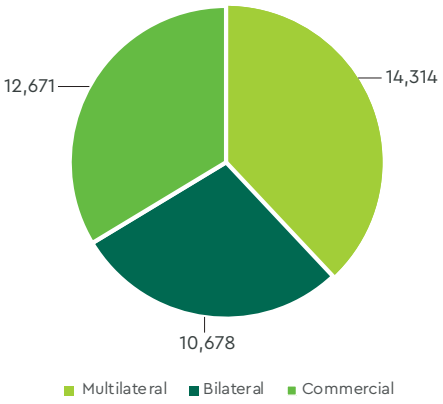


Source: Public Debt Management Office
**includes only the maturities of T-bills and T- bonds*

6.5.2. External Debt Stock

Total Central Government external debt as at the end of December 2025, amounted to USD 37,663 million . Composition of external debt as per lender category is depicted in the Figure 6.10.

Figure 6.10 | Composition of Central Government External Debt – as of 31st December 2025 (USD Million)



Source: Public debt Management Office
Provisional, Only the Central Government outstanding Foreign Debt are depicted including unpaid Principal accumulated after debt standstill policy was adopted.

Multilateral debt represented the majority of the total Central Government external debt (38 percent) followed by the Commercial debt (34 percent) and Bilateral debt (28 percent).

6.5.2.1 External Debt Restructuring Process

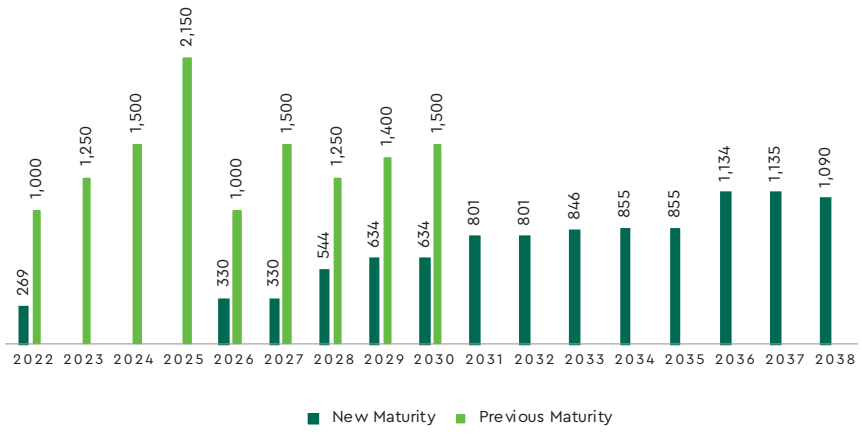
In line with the interim policy adopted by the Government, debt servicing payments to affected bilateral and commercial external creditors have been temporarily suspended for an interim period commencing from 12 April 2022. Sri Lanka had almost completed its external debt restructuring process by concluding debt treatment agreements with the Official Creditor Committee (OCC), signing the debt restructuring agreement with the Export-Import Bank of China in June 2024, and reaching an agreement in principle with International Sovereign Bond (ISB) holders in September 2024. Thereafter, Sri Lanka successfully completed the restructuring of ISBs in December 2024, exchanging approximately 98% of the outstanding ISBs into new instruments. Moreover, by end-2025, Sri Lanka had concluded approximately 95% of its bilateral debt restructuring agreements with lenders.

Accordingly, by end-2025, unpaid debt service obligations had recorded to a principal amount of USD 897.4 million and interest amounting to USD 285.7 million. This amount includes the 2022 ISB holdout obligations amounting to approximately USD 268 million, as well as the remaining 5% of bilateral debt restructuring agreements yet to be finalised.

6.5.2.2. Maturity Structure of ISBs (Pre and Post Restructuring)

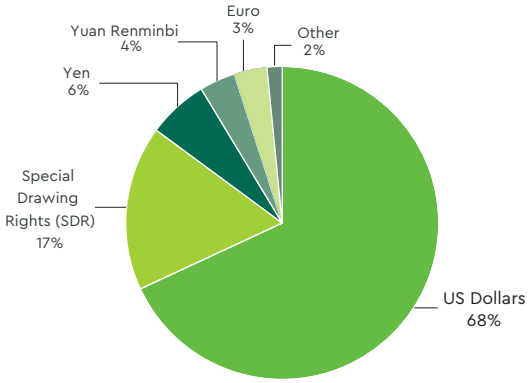
Prior to restructuring, Sri Lanka faced a highly concentrated repayment profile, with large ISB maturities falling due between 2023 and 2029, creating significant refinancing and liquidity pressures. Following the restructuring, the maturity profile has been considerably smoothed and extended over a longer period from 2022 to 2038. The new maturity structure reduces the bunching of repayments in the short to medium term and distributes debt service obligations more evenly across future years.

Figure 6.11 | Maturity Structure of ISBs
(Payments (USD Million))



Source: Public Debt Management Office
Notes: 2022 includes the balance of USD 269 million to be restructured.
ISBs have not been classified on the current resident/non-resident basis of its holdings

Figure 6.12 | Composition of External Debt By Currency



Source: Public Debt Management Office

The majority of the outstanding debt was in US dollars which amounted for almost 68 percent of the total outstanding debt, followed by the Special Drawing Rights (SDR) at 17 percent, Japanese Yen at 6 percent and Chinese Yuan Renminbi at 4 percent.

6.6 Debt Service payments

The total debt service obligation reflects payments made toward interest and principal on debt incurred from both domestic and external sources. In 2025, foreign interest payments amounted to Rs. 342.5 billion and which was recorded as Rs. 400 billion at the end of 2024. Meanwhile, the domestic interest payment decreased to Rs. 2,158.2 billion in 2025 compared to Rs. 2,289 billion in 2024, reflecting the lower interest rates that prevailed in the government securities market. Accordingly, the total interest payment amounted to Rs. 2,500.7 billion in 2025 compared to Rs. 2,689.5 billion recorded in the previous year.

Total domestic repayments (excluding the rolling over of T-bills) was recorded to Rs. 994.6 billion in 2025 compared to Rs. 984.8 billion in 2024. This slight increment was mainly due to discharging unpaid treasury guarantees amounting to Rs. 18.1 billion. Foreign repayments amounted to Rs. 424.5 billion in 2025. Accordingly, the total debt service payment amounted to Rs. 3,919.8 billion, comprising Rs. 3,152.8 billion for domestic debt service and Rs. 767.0 billion for foreign debt service.

6.6.1. Domestic Debt Service Payments

Domestic debt service payments as a percentage of GDP decreased to 9.6 percent in 2025, compared to 11.0 percent in 2024, mainly due to the reduction in domestic interest payments. Similarly, domestic debt service payments as a percentage of government revenue declined significantly to 57.6 percent in 2025 from 81.2 percent in 2024, reflecting a considerable improvement.

Table 6.7 | Domestic Debt Service Payment

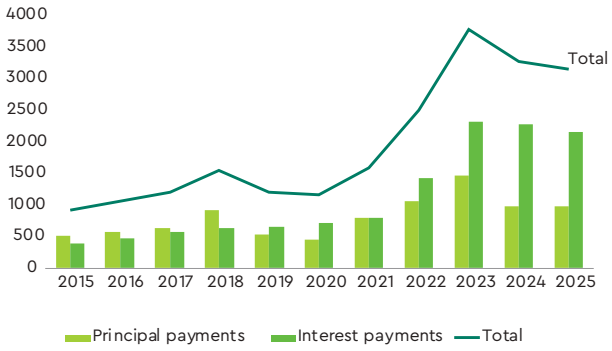
(Rs.Million)

Year	Principal payments	Interest payments	Total
2015	523,824	394,289	918,113
2016	572,442	484,182	1,056,624
2017	642,875	570,623	1,213,498
2018	921,881	639,482	1,561,363
2019	546,315	652,795	1,199,110
2020	455,899	710,113	1,166,012
2021	799,695	794,124	1,593,819
2022	1,073,712	1,436,078	2,509,790
2023	1,469,938	2,322,919	3,792,857
2024	984,762	2,289,083	3,273,845
2025	994,634	2,158,156	3,152,790

Sources : Public Debt Management Office, Department of Treasury Operations & Central Bank of Sri Lanka

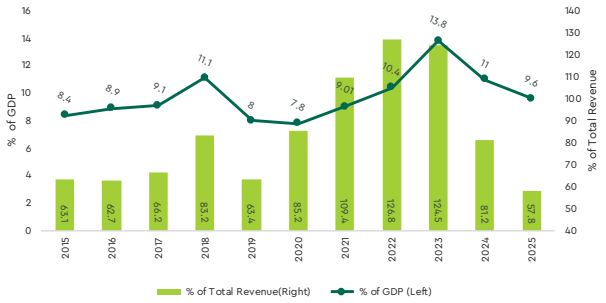
Figure 6.13 | Domestic Debt Servicing Payment

(Rs. Million)



Source: Public Debt Management Office, Department of Treasury Operation

Figure 6.14 | Domestic Debt Service Payments as a % of GDP and Total Government Revenue: 2015- 2025



Source: Public Debt Management Office, Central Bank of Sri Lanka and Department of Treasury Operation

6.6.2. External Debt Service Payments

Total debt service payments[1] from 1st January to 31st December in 2025 was amounted to USD 2,436.8 million, of which, USD 1,401.5 million was in lieu of principal repayments and the balance USD 1,035.2 million for the payment of interest.

External debt service payments as a percentage of GDP decreased to 2.3 percent in 2025, compared to 2.8 percent in 2024. Similarly, external debt service payments as a percentage of government revenue declined significantly to 14.1 percent in 2025 from 20.5 percent in 2024.

[1] *Debt Service = Principal Payments + Interest Payments*
** To be reconciled with creditors during the restructuring discussions*

Box 6.1 | Strengthening Sri Lanka's Public Debt Management Framework: Paving the Way for a New Era in Debt Management

Following the economic crisis in 2022, Sri Lanka embarked on a comprehensive reform agenda to strengthen the country's public debt management framework with the objective of restoring debt sustainability, improving fiscal resilience, and enhancing macroeconomic stability. A major milestone in this reform journey was the enactment of the Public Debt Management Act, No. 33 of 2024 (PDMA), which established a unified legal and institutional framework for public debt management through the establishment of the Public Debt Management Office (PDMO). By consolidating debt management functions that were previously dispersed across multiple institutions, the new framework significantly strengthened coordination, governance, accountability, and operational efficiency in public debt management.

During 2025, several important measures were introduced to further strengthen the legal and institutional framework governing public debt management. The issuance of Public Debt Management Regulations No. 01/2025 and No. 02/2025, together with operational guidelines and institutional procedures, significantly enhanced governance arrangements, risk management practices, and internal controls within the debt management process. These reforms paved the way for a more rules-based, transparent, and disciplined approach to debt management. In order to further strengthen institutional coordination and governance, the Public Debt Coordination Committee (PDCC) was appointed in January 2025 to facilitate effective coordination between debt management, fiscal policy, and monetary policy operations.

A key reform achievement was the introduction and publication of Sri Lanka's first Medium-Term Debt Management Strategy (MTDS) for the period 2025–2029 and Annual Borrowing Plan (ABP) for the year 2025 under the PDMA. This marked a paradigm shift from ad-hoc borrowing practices towards a more strategic and cost-risk based approach to government financing, ensuring greater consistency with the Government's medium-term fiscal and macroeconomic objectives.

Box 6.1 | Strengthening Sri Lanka's Public Debt Management Framework: Paving the Way for a New Era in Debt Management

Another landmark reform was the transfer of responsibility for conducting domestic government securities auctions from the Central Bank of Sri Lanka to the PDMO in December 2025. This transition strengthened the institutional separation between debt management and monetary policy functions in line with international best practices, while enhancing the operational independence and governance of government borrowing activities.

To support this transition, the Debt and Cash Management Committee (DCMC) and the Auction Steering Committee (ASC) were established within the Ministry of Finance to oversee strategic borrowing decisions and government securities auction operations. These institutional arrangements further strengthened governance, transparency, and decision-making within the domestic borrowing process.

The reform framework also introduced stronger mechanisms for managing fiscal risks associated with government guarantees and on-lending operations through the adoption of risk-based measures such as guarantee fees and on-lending premiums, thereby improving the management of contingent liabilities and safeguarding public finances.

Enhancing transparency and investor engagement has been another important pillar of Sri Lanka's public debt management reforms. Measures have been introduced to improve the availability, quality, and timeliness of debt-related information, while strengthening communication and engagement with investors and other stakeholders. These initiatives have contributed to improving investor confidence and reinforcing Sri Lanka's commitment to transparent and accountable public financial management practices.

Overall, Sri Lanka's public debt management reforms signify a major transformation in the country's debt management architecture, laying a strong foundation for prudent borrowing, improved fiscal risk management, and long-term debt sustainability.

PART III

Development Finance for Balanced and Inclusive Growth

07

Development Finance

7.1 Overview

Similar to other emerging economies, the SME sector remains a cornerstone of Sri Lanka's economy, contributing around 52% to GDP, 45% to employment, and 20% to exports. In 2025, the Government prioritized economic stability, MSME development, and food security through a combination of financial support, policy interventions, and institutional reforms.

Access to finance remained central, with banks providing substantial credit to MSMEs, complemented by targeted government initiatives. The MSME Re-energizing Programme (Rs. 15 billion) achieved significant progress, refinancing Rs. 14.6 billion, including 1,720 performing loans to Rs. 14,522.72 million and additional assistance for non-performing enterprises. The Extended Disaster Relief (EDR) Scheme (Rs. 5 billion) supported 315 businesses with Rs. 241 million following natural disasters.

Development partner support further strengthened financing. Under SMELoC, Rs. 4,115 million was disbursed to 394 SMEs, while SMELOC2 provided a total of Rs. 6,550 million by the end of the December 2025, benefiting nearly 1,100 MSMEs. Of these, 309 loans were granted to women entrepreneurs, while 258 loans supported climate financing initiatives of MSMEs. The SMELOC2 Revolving Facility contributed Rs. 511 million for investments.

Institutional Support such as the establishment of the National Credit Guarantee Institution Limited (NCGIL), established as a public–private partnership, improved access to finance, supporting 1,234 MSMEs with guarantees worth Rs. 5,099 million, including 20% for women-led businesses while Rs. 1,296 million (25%) was directed towards priority sectors such as agriculture, IT, exports, and tourism. These initiatives significantly improved access to finance, particularly for enterprises lacking collateral.

In agriculture, productivity and farmer support were enhanced through fertilizer subsidies was implemented through a direct cash transfer mechanism, concessional credit schemes such as "Sarusara," provided affordable financing at an effective interest rate of 6% per annum, and compulsory crop insurance backed by around Rs. 5,324 million in Treasury support.

Food security remained critical national priority and a 6% increment in total annual paddy production has been recorded when compared to the 2024. Under the Government Paddy Purchasing Program 162,257 mt of paddy was purchased at a cost of Rs. 19,633 million, while the pledge loan scheme enabled 112,894 mt of purchases through Rs. 13,596 million in disbursed loans while Rs. 132 million was paid as interest subsidies.

Investments in storage infrastructure improved value chains, with grain inflow increasing by 28.5% and warehouse financing by 36.1%. Policy measures such as MRPs, SCL adjustments, and MGPs helped manage the cost of living.

Overall, these integrated efforts strengthened MSME resilience, enhanced agricultural productivity, and supported national food security, contributing to a more stable, inclusive and sustainable economic growth.

7.2 Financial Assistance for Micro, Small and Medium-sized Enterprises

7.2.1 Financial Support Provided for SMEs by the Licensed Banks Utilizing their Funds

In addition to the support extended to implement the Government's financial and non-financial schemes, the significant portion of funding requirements of the SMEs were financed through the loan schemes implemented by the commercial and specialized banks utilizing their funds. In 2025 approximately Rs. 1,680,295.55 million worth of loans were granted through the loan schemes to fulfill the financial needs of the SME sector.

Table 7.1 | Loans Disbursed by Commercial and Specialized Banks to SMEs - 2025

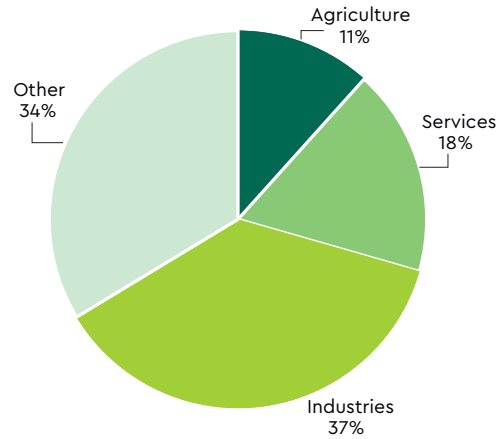
Name of Participating Financial Institutions(PFI)	Agriculture		Services		Industries		Other		Total	
	Number	Amount Rs. Million	Number	Amount Rs. Million	Number	Amount Rs. Million	Number	Amount Rs. Million	Number	Amount Rs. Million
Bank of Ceylon (BOC)	13,866	72,225.86	10,955	30,022.24	7,580	30,348.44	2,203	3,040.70	34,604	135,637.24
People's Bank (PB)	840	3,683.43	931	4,211.34	6,729	34,505.02	599	6,190.29	9,099	48,590.08
Regional Development Bank (RDB)	9,704	10,613.00	4,344	9,987.00	8,636	9,779.00	0	0	22,684	30,379.00
Sanasa Development Bank Ltd. (SDB)	2,464	5,242.50	427	1,628.10	2,724	9,046.70	1,623	5,517.35	7,238	21,434.65
State Mortgage and Investment Bank (SMIB)	16	21.36	12	49.2	48	194.97	0	0	76	265.53
National Development Bank PLC (NDB)	1,143	13,349.23	1,141	8,603.48	6,862	54,738.72	7,800	58,924.36	16,946	135,615.79
DFCC Bank Ltd.	581	4,798.39	145	2,846.35	1,374	11,005.55	3,937	34,664.22	6,037	53,314.51
Commercial Bank of Ceylon PLC	2,111	13,197.55	14,166	118,301.60	10,105	93,315.07	12,569	110,431.02	38,951	335,245.24
Sampath Bank Ltd.	577	10,222.15	1,370	38,109.09	9,495	156,236.97	513	6,588.61	11,955	211,156.82
Seylan Bank PLC	1,501	19,416.00	1,452	20,675.00	9,613	97,507.00	2,011	15,364.00	14,577	152,962.00
Hatton National Bank PLC (HNB)	4,169	28,125.00	2,566	19,814.00	8,719	77,120.00	413,443	296,142.00	428,897	421,201.00
Nations Trust Bank PLC (NTB)	427	5,906.61	2,383	18,820.46	1,490	11,353.81	42	190.6	4,342	36,271.48
Pan Asia Banking Corporation PLC	553	2,222.00	2,000	8,343.16	6,397	26,709.49	0	0	8,950	37,274.65
Union Bank of Colombo Ltd.	312	4,622.73	781	16,234.98	152	3,723.33	4,424	27,881.52	5,669	52,462.56
Cargills Bank	136	2,210.00	34	1,354.00	379	4,138.00	71	783	620	8,485.00
Total	**38,400**	**195,855.81**	**42,707**	**299,000.00**	**80,303**	**619,722.07**	**449,235**	**565,717.67**	**610,645**	**1,680,295.55**

Source: Respective Banks

In 2025, fifteen (15) state and private banks provided 610,645 loans to the SME sector. Out of the total loan amount granted, around 37 percent was disbursed to the Industries and around 11 percent to Agriculture and 18 percent Services sectors respectively.

In addition, out of total loans disbursed for SMEs in 2025 by the banks, 51 percent has been disbursed as term loans, 16 percent as trade loans for exports, 8 percent as overdrafts and 7 percent as revolving facilities. (Table 7.2)

Figure 7.1 | Sector wiseSME Loan Disbursements



Sources : Respective Banks

Table 7.2 | Type of Loans Disbursed by Commercial and Specialized Banks to SMEs - 2025

Type of Loans	Number	Amount Rs. million	%
Term Loans	55,894	464,025.60	28
Short Term Loans	71,048	386,559.35	23
Leasing	18,119	125,799.62	7
Revolving Facilities	18,145	116,428.19	7
Overdraft	19,324	136,915.30	8
Trade Bills Export	1,412	11,874.66	1
Trade Loans Export	28,221	270,771.05	16
Other	398,482	167,921.78	10
Total	**610,645**	**1,680,295.55**	**100**

Sources : Respective Banks

7.2.2 Financial Schemes for SMEs funded by the Government of Sri Lanka

7.2.2.1 Re-energizing the Micro, Small, and Medium-sized Enterprises (MSME) Sector in Sri Lanka

The Government, supported by various development partners, continues to provide financial and non-financial assistance to the MSME sector, which has faced significant challenges due to the recent economic downturn across industries such as manufacturing, imports, exports, tourism, and apparel. Many MSMEs that survived the crisis require external support in the form of loans or capital investments.

In response, the Department of Development Finance developed an MSME Re-energizing Package in 2024, which continued through 2025. The package provides, Investment support for Performing Loans (PL) and Working capital support for Non-Performing Loans (NPL).

The programme aims to revitalize MSMEs, enhance their resilience to business environment changes including climate-related challenges and prioritize sectors such as agriculture, tourism, manufacturing, technology, and export-oriented businesses, with special focus on women-led enterprises. In 2025, additional support was provided to swine farmers affected by the swine fever outbreak, including relaxed guidelines to access concessional loans.

Loans are disbursed through 15 Participatory Financial Institutions (PFIs) at affordable interest rates. The Ministry of Industries issued recommendation letters to eligible MSMEs which need financial support and demonstrating potential for business improvement. In 2025, the total allocated funds for the programme were Rs. 15 billion, of which approximately Rs. 14.6 billion was refinanced across both PL and NPL categories.

Table 7.3 | Features of the Re - Energizing Loan Scheme

Criteria	Component I (PL)	Component II (NPL)
Maximum Loan Amount	Rs. 25 Million	Rs. 15 Million
Tenor (Max)	10 Years	5 Years
Interest Rate	7%	8%
Types of Loans	Investment and Working Capital	Investment and Working Capital
Effective Rate to PFIs	3 percent per annum	4 percent per annum

Source: Department of Development Finance

Table 7.4 | Implementation Progress Component I - Performing Loans (PL) as of 31.12.2025

Rs. Million

Name of the Bank	Allocation	Approved Loans					Refinance		
			Approved Loan Amount	% from Total No. of Loans	% from Allocation	% from Approved Loan Amount	Loan Amount	% from Allocation	% from Approved Loan Amount
BOC	2,000.00	187	1,955.00	10.9	97.8	11.9	1,585.58	79.3	81.1
Sampath	1,800.00	157	1,800.00	9.1	100	10.9	1,800.00	100	100
Seylan	1,800.00	405	1,789.93	23.5	99.4	10.9	1,571.23	87.3	87.8
Commercial	1,650.00	135	1,630.34	7.8	98.8	9.9	1,523.93	92.4	93.5
DFCC	1,600.00	135	1,546.95	7.8	96.7	9.4	1,231.18	76.9	79.6
NDB	1,252.00	111	1,251.64	6.5	100	7.6	1,167.11	93.2	93.2
HNB	1,200.00	90	1,196.03	5.2	99.7	7.3	1,100.40	91.7	92
RDB	1,200.00	78	1,059.30	4.5	88.3	6.4	832.7	69.4	78.6
PB	1,100.00	75	897.59	4.4	81.6	5.5	746.2	67.8	83.1
Union	800	47	713.5	2.7	89.2	4.3	567.16	70.9	79.5
NTB	800	61	774.6	3.5	96.8	4.7	624.02	78	80.6
Pan Asia	57.5	3	44.5	0.2	77.4	0.3	44.5	77.4	100
SDB	800	36	459.1	2.1	57.4	2.8	447.96	56	97.6
SMIB	250	13	151.25	0.8	60.5	0.9	97.25	38.9	64.3
Cargills	1,200.00	187	1,199.00	10.9	99.9	7.3	1,183.50	98.6	98.7
Total	**17,509.50**	**1720**	**16,468.73**	**100.0**	**94.1**	**100.0**	**14,522.72**	**82.90%**	**88.20%**

Source: Department of Development Finance

Table 7.5 | Implementation Progress Component II - Non-Performing Loans (NPL) as of 31.12.2025

Rs. Million

Name of the Bank	Allocation	Approved Loans					Refinance		
		No. of Loans	Approved Loan Amount	% from Total No. of Loans	% from Allocation	% from Approved Loan Amount	Loan Amount	% from Allocation	% from Approved Loan Amount
BOC	120	5	14.5	16.7	12.1	18.8	14.3	11.9	98.6
PB	50	3	10.5	10	21	13.6	5	10	47.6
RDB	50	18	36.85	60	73.7	47.7	32.35	64.7	87.8
Commercial	50	2	8.9	6.7	17.8	11.5	8.9	17.8	100
HNB	50	1	5	3.3	10	6.5	5	10	100
SDB	20	1	1.5	3.3	7.5	1.9	1.5	7.5	100
***Other Banks**	160	-	-	-	-	-	-	-	-
Total	**500**	**30**	**77.25**	**100.0**	**15.5**	**100.0**	**67.05**	**13.4**	**86.8**

*8 *Other Banks (DFCC, Seylan, Sampath, Pan Asia, NTB, NDB, Cargills, Union) were allocated Rs. 20.00 million per each bank, but funds were not utilized.*

Source: Department of Development Finance

7.2.2.2 Extended Disaster Relief Loan Scheme (EDR)

During the latter part of 2025, the country experienced one of the most severe natural disasters in recent history, which caused significant disruptions to economic activities and the livelihoods of communities in affected areas. A large number of enterprises, particularly MSMEs, were adversely affected, and nearly 30,000 MSMEs have been registered with the Ministry of Industry and Entrepreneurship Development requesting assistance due to confronted operational and financial difficulties. Considering the magnitude of the impact and the critical role of MSMEs in supporting employment and economic activity, timely government intervention became essential.

Accordingly, the Government introduced the Extended Disaster Relief Loan Scheme (EDR) to provide concessional working capital facilities to disaster-affected enterprises at an affordable interest rate. The scheme aims to assist businesses in overcoming short-term liquidity constraints, restoring operations, and facilitating the gradual recovery of economic activities in affected regions.

The loan scheme was initially implemented through three state banks, Bank of Ceylon, People's Bank, and Regional Development Bank with effect from December16, 2025 to support MSMEs affected by Cyclone Ditwah. Subsequently, with effect from January 01, 2026, the scheme was extended to large-scale enterprises, and the number of participating financial institutions was expanded to twelve (12), including several private sector banks, to enhance outreach and accessibility. The features of the loan scheme are as follows.

Table 7.6 | Features of the EDR

#	Feature	Details
1	Total Fund Allocation	Rs. 10,000 million
2	Loan Limit	Maximum Rs. 250,000 for Micro Enterprises, Maximum Rs. 1,000,000 for Small Enterprises Maximum Rs. 25,000,000 for Medium and Large Enterprises per entity (Subject to maximum two (02) months working capital requirement of the affected business)
3	Loan Type	Working Capital
4	Effective Rate to PFIs	NIL
5	Maximum Rate to End-borrower	3 percent per annum
6	Grace Period	Maximum of 06 months commencing from the date of disbursement of the first installment
7	Repayment Period	Maximum of 03 years including the grace period
8	Eligible Economic Activities	Any economic activity affected by the disaster including Agriculture, Plantation, Livestock, Fisheries, Tourism, Manufacturing and Other Services
9	Security Requirements	Based on the viability of the estimated future cash flow of the business plan rather than collateral

Source: Department of Development Finance

To support the implementation of the scheme, the Government allocated Rs. 10,000 million (Two tranches; first on December 16, 2025 and second on January 22, 2026), recognizing the importance of reviving business activities for the broader recovery of the national economy. As of December 31, 2025, banks have issued 315 loans worth approximately Rs. 241 million under this scheme.

Box 7.1 | Digital Transformation for Inclusive Economic Growth: Strengthening MSME Development through Innovation

As an Implementing Agency the Department of Development Finance (DFD) continued its transformative journey in 2025 by deepening digitalization across its core operations, reinforcing its role as a catalyst for inclusive economic growth. Anchored in the Government's broader digitalization agenda, these initiatives have significantly enhanced the efficiency, transparency, and accessibility of financial support mechanisms particularly for Micro, Small, and Medium Enterprises (MSMEs), a critical pillar of Sri Lanka's economic development.

A key milestone in this journey has been the full operationalization of the Loan Management System (LMS), which was introduced in 4th Quarter of 2024 to replace the previously manual and paper-based processes associated with administering subsidized loan schemes. The LMS has revolutionized the way Participating Financial Institutions (PFIs) interact with the DFD by enabling end-to-end electronic submission, processing, and approval of loan applications. This transition has substantially reduced processing times, minimized administrative burdens, lowered operational costs, and enhanced transparency and accountability in public financial management.

The LMS has been successfully deployed across several flagship MSME financing programmes, including the Re-Energizing MSME Sector Loan Scheme, SMELoC, SMELoC–Revolving Loan Scheme, and the Pledge Loan Scheme. Furthermore, in response to Cyclone Ditwah, this Department demonstrated agility and responsiveness by digitally administering the Disaster Relief Loan Scheme with 3 percent interest, ensuring timely financial assistance to affected enterprises and supporting business continuity during a period of crisis.

Expanding the scope of digital service delivery, also implemented as a nationwide digital mechanism under Budget 2025 to operationalize the additional 3 percent interest incentive for senior citizens' over 300,000 nos. of fixed deposits. This system has connected around 3000 branches of participating banks through a centralized web portal, enabling real-time data sharing, automated calculations, and the prevention of duplicate claims. As a result, the efficiency, accuracy, and integrity of the subsidy programme have been significantly improved.

The integration of financial institutions into the LMS marks another significant achievement. To date, the head offices of nineteen (19) government and private banks have been successfully linked to the system, allowing seamless submission of loan applications and digital processing by departmental officials. This connectivity has strengthened coordination between the public and financial sectors, creating a more responsive and streamlined financing ecosystem for MSMEs.

Building on this progress, the DFD is actively working to expand its digital infrastructure. Systems for additional programmes, including the NCRCS Loan Scheme and the Farming System Sustainability Programme (FSSP), are currently under development, with the latter nearing completion. Moreover, with the support of the Asian Development Bank, two new loan schemes are being introduced alongside the development of an advanced loan management platform. This presents a strategic opportunity to integrate all existing loan systems into a unified, interoperable framework capable of interfacing directly with the internal systems of participating banks.

Looking ahead, we have planned to introduce a dynamic dashboard interface that will provide real-time insights into programme performance and fund utilization. This dashboard will be accessible to key stakeholders, including the decision making authorities in the Ministry of Finance, banks, and other relevant authorities, thereby facilitating informed decision-making and strengthening oversight. Additionally, it will enhance the ability to effectively monitor and supervise the implementation of development finance initiatives.

The digital transformation of the Department of Development Finance represents a significant step forward in modernizing public service delivery. By leveraging technology to improve efficiency, transparency, and accessibility, the Department is not only enhancing its operational effectiveness but also empowering MSMEs—the backbone of the national economy—to thrive in an increasingly competitive and dynamic environment.

7.2.2.3 Pledge Loan Scheme for SME Paddy Millers

Recognizing that SME paddy millers produce a majority of the country's rice and often face limited access to finance at high market interest rates, the Government introduced a pledge loan scheme at a concessional interest rate through state and private banks to facilitate the purchase of paddy from farmers. Initially implemented during the Yala Season 2023, the scheme was approved by the Cabinet as an annual programme commencing from the 2024/2025 Maha (Cabinet Decision dated 30.12.2024; Cabinet Memorandum No. 24/2284/804/033 dated 22.12.2024).

Paddy stocks were purchased at the Minimum Purchase Price (MPP) declared by the Department of Agriculture, under a scheme with an effective interest rate of 11% per annum, of which 7% was borne by SME paddy millers while the remaining 4% was provided as an interest subsidy by the Government to participating banks. This arrangement applied to both the Maha Season 2024/25 and the Yala Season 2025.

In 2025, the scheme recorded strong performance, with pledge loans amounting to Rs. 16,688 million registered for 672 SME paddy millers, of which Rs. 13,596 million was disbursed. Under the scheme, a total of 112,894 mt of paddy was purchased, while an interest subsidy of Rs. 132 million was provided.

This scheme significantly strengthened the financial capacity of SME paddy millers by improving access to affordable finance, supporting price stability for farmers, and ensuring an adequate supply of rice to the market.

Table 7.7 | Progress of the Pledge Loan Scheme, 2025

Description	Maha 2024/25	Yala 2025	Total
No of Loans Registered	375	297	672
Registered Loan Amount (Rs. Mn)	8,832.00	7,856.00	16,688.00
Disbursed Loan Amount (Rs. Mn)	6,893.00	6,703.00	13,596.00
Interest Subsidy Paid (Rs. Mn)	101.00	31.00	132.00

Source: Department of Development Finance

7.2.3 Financial Schemes for SMEs Funded by the Development Partners

Under the financial assistance of the Asian Development Bank, the Department of Development Finance is implementing three major loan components i.e. (I) SME Credit Line to provide investment loans for SMEs, (II) Enhancing Small and Medium-sized Enterprises Finance Project (SMELOC2) to provide working capital loans to MSMEs affected by the economic downturn and (III) SMELOC2 – Revolving to provide investment loans for SMEs.

7.2.3.1 Small and Medium-sized Enterprises Line of Credit (SMELoC) Project

Under the SMELoC Project, funded by the ADB, investment loans are provided to SMEs through 13 PFIs: Bank of Ceylon, People's Bank, Regional Development Bank, Hatton National Bank, Commercial Bank, Sampath Bank, Seylan Bank, National Development Bank, DFCC Bank, Nations Trust Bank, Pan Asia Bank, Union Bank, and Sanasa Development Bank.

In 2025, approximately Rs. 4,115 million was disbursed as investment loans to 394 SMEs. Of these, loans were provided for start-ups, and 394 loans were extended to women-led SMEs, reflecting targeted support to promote entrepreneurship and inclusive growth. The progress is detailed in the Table 7.8.

Table 7.8 | Progress of The SME Credit Line for the period from January 01, 2025 to December 31, 2025

PFI	Loan Disbursement	
	Number	Amount Rs. Million
BOC	64	551.35
PB	16	230.71
RDB	115	299.96
SDB	26	151.82
Sampath Bank	16	271.93
HNB	32	338.76
NTB	25	401.79
Commercial Bank	23	602.12
NDB	10	232.11
Seylan Bank	15	238
Union Bank	10	209.6
DFCC Bank	24	338.11
Pan Asia Bank	18	249.52
Total	**394**	**4,115.78**

Source: Department of Development Finance

7.2.3.2 Enhancing Small and Medium-sized Enterprises Finance Project (SMELOC2)

Under the Enhancing Small and Medium-sized Enterprises Finance Project (SMELOC2), the Asian Development Bank (ADB) provided USD 100 million, of which USD 50 million was allocated to support MSMEs affected by recent economic shocks, while the remaining USD 50 million served as the initial investment for the National Credit Guarantee Institution Limited (NCGIL).

Under the SMELOC2 Project, the first advance of approximately Rs. 6,825 million was distributed among 13 PFIs in May 2024, utilizing these funds, working capital loans were extended to around 900 MSMEs.

Subsequently, the second advance of approximately Rs. 8,000 million (USD 27 million) was allocated among 10 eligible PFIs in November 2024. By the end of the December 2025 a total of Rs. 6,550 million had been disbursed, benefiting nearly 1,100 MSMEs. Of these, 309 loans were granted to women entrepreneurs, while 258 loans supported climate financing initiatives of MSMEs.

Table 7.9 | Progress of The SMELoC2 Project for the period ending December 31, 2025

PFI	Allocated Amount Rs. Million	Loan Disbursement			Women Entrepreneurs		Climate Financing	
		Number	Amount Rs. Million	% Disbursed	Number	Amount Rs. Million	Number	Amount Rs. Million
BOC	625.4	104	625.4	100	33	182.05	30	186.95
PB	561.67	74	551.7	98.2	11	78.6	13	98
RDB	1327.46	320	989.43	74.5	107	264.48	92	325.38
SDB	613.36	127	581.86	94.9	43	141.25	17	106
Sampath	583.01	65	526.01	90.2	19	160.7	7	59
HNB	874.53	80	576.85	66	22	144	24	197.5
NTB	962.07	66	615.07	63.9	14	127.5	11	97.5
Commercial	910.29	114	910.29	100	27	194.5	29	235.8
NDB	865.23	61	482.2	55.7	13	109	19	143.2
DFCC Bank	690.55	91	690.55	100	20	136.95	16	131
Total	**8,013.58**	**1,102**	**6,549.36**	**81.7**	**309**	**1,539.03**	**258**	**1,580.33**

Source: Department of Development Finance

7.2.3.3 Enhancing Small and Medium-Sized Enterprises Finance Project (SMELOC2 – Revolving)

To meet the growing demand for investment loans from micro, small, and medium-sized enterprises (MSMEs), the Steering Committee of the SMELOC2 Project approved the utilization of the reflow of USD 50 million from the SMELOC2 loan component under the "SMELOC2 – Revolving" programme. The funds are being released through five semi-annual allocations, commencing July 2025 and continuing through December 2027.

Under the first tranche, approximately Rs. 1,365 million was allocated among eight Participating Financial Institutions (PFIs), and disbursed to MSMEs engaged in agriculture, tourism, manufacturing, technology, and export-oriented sectors. Of this amount, around Rs. 511 million was disbursed to 40 MSMEs as at December 31, 2025, providing critical support for business investment and growth.

Table 7.10 | Progress of The SMEloc2 Revolving (Tranche I)

PFI	Allocation Rs. Million	No Objection Approved			Refinance Granted		
		Number	Amount Rs. Million	%	Number	Amount Rs. Million	%
Commercial Bank	182.5	8	182.5	100	8	118.2	65
DFCC Bank	183.9	8	180.0	98	8	120.0	65
NTB	182.5	6	165.0	90	6	103.5	57
Sanasa	159.9	17	159.9	100	14	141.9	89
NDB	174.0	2	25.0	14	0	0.0	0
BOC	165.5	9	165.5	100	0	0.0	0
Sampath	159.9	6	94.8	59	2	27.5	17
RDB	157.1	1	5.0	3	0	0.0	0
Total	**1365.3**	**57**	**977.7**	**72**	**38**	**511.1**	**37**

Source: Department of Development Finance

7.2.3.4 Agriculture Value Chain Financing and Commercialization Sector Development Program

The Agriculture Value Chain Financing and Commercialization Sector Development Program, funded by the Asian Development Bank (ADB), aims to strengthen the agricultural and agribusiness sectors by providing concessional financing through participating financial institutions.

The program supports activities across the entire agricultural value chain, including primary production, agro-processing, storage, value addition, and marketing. Under this facility, eligible small and medium-scale enterprises (SMEs) engaged in agriculture and related industries are able to access financing to expand operations, improve productivity, and enhance market access. The scheme also promotes inclusive economic growth by supporting rural enterprises, export-oriented agribusinesses, and women-led SMEs.

The Several ADB fact finding missions were facilitated and it has been planned to commence this Project during the last quarter of the year 2026.

7.2.3.5 Small and Medium-sized Enterprises Sector Development Programme

The SME Sector Development Programme is a strategic initiative aimed at strengthening the Small and Medium Enterprise (SME) sector by enhancing business capacity, improving access to finance, promoting technology adoption, and expanding market opportunities. The Programme has been proposed to address the limited availability of venture capital and private equity financing within Sri Lanka's SME financing ecosystem.

Accordingly, the Programme primarily focuses on to provide a sustainable solution to existing gaps in access to finance for Micro, Small, and Medium Enterprises (MSMEs), while enhancing their financial and digital literacy to support business growth and scalability.

The Programme is proposed to be implemented through the following key components:

1. Policy-Based Loan (PBL) – USD 100 million
2. Financial Intermediation Loan (FIL) – USD 120 million including USD 20 million initial investment for Venture Capital Fund

7.2.3.6 Women Entrepreneurs Finance Code (WE Finance Code)

WE Finance Code is important for collecting and reporting of sex-disaggregated MSME data with the objective of taking policy based decision to enhance women's economic participation to the country and this is one of the key commitments that Sri Lanka has pledged as a policy action under the Finance Sector Stability and Reform Programme. In order to ensure the quality of data being collected and reported under WE Finance Code, it is imperative that a consistent basis be applied in disaggregation. Accordingly, the "National Definition" for classification of 'women-led business' was developed in consultation of

the stakeholders with the technical support of the Asian Development Bank and the same was circulated by the Central Bank of Sri Lanka (CBSL) to all banks, non-banks and micro finance institutions as revised operating instructions in August, 2024 to ensure the systematic sex-disaggregated data collection across the banking sector under the WE Finance Code.

Moreover, the Department of Development Finance (DFD) has been assigned the task of implementation of the WE Finance Code in collaboration with the CBSL. Accordingly, the WE Finance Code was officially launched in Sri Lanka on 18 March 2025 by the Ministry of Finance, in collaboration with thirteen (13) licensed banks, as Code signatories, and the CBSL. Under this Code, sex-disaggregated data are collected on number of MSME business customers, MSME business loan applications and approvals, MSME business outstanding loans, MSME business non-performing loans and MSME business deposits, with the objective of promoting evidence-based policies and initiatives that support women-led businesses' in accessing to finance.

7.2.4 Institutional Support for SMEs

7.2.4.1 National Credit Guarantee Institution Limited (NCGIL)

With the approval of the Cabinet of Ministers, the National Credit Guarantee Institution Limited (NCGIL) was established as a public–private partnership between the Government of Sri Lanka and thirteen (13) shareholder financial institutions (SFIs) and incorporated as a public limited company (No. P B 00271461). The objective of NCGIL is to support the development of the Micro, Small and Medium Enterprise (MSME) sector by providing credit guarantees for term loans granted by participating financial institutions.

Under the approved capital structure, the Government has invested USD 50 million with financial support from the Asian Development Bank, while the SFIs have contributed proportionately, maintaining an approximate 90:10 ratio between the Government and SFIs.

NCGIL commenced their operations on January 20, 2025. As at 31 December 2025, a total of 1,234 loans amounting to Rs. 7,435 million have been covered by issuing guarantees valued at Rs. 5,099 million. Of this, Rs. 939 million (approximately 20%) has been extended to 244 women-owned MSMEs, while Rs. 1,296 million (25%) has been directed towards priority sectors including agriculture, IT, exports, and tourism. The trading sector accounts for the largest share, with guarantees amounting to Rs. 1,914 million (approximately 40%).

Within its first year of operations, NCGIL has demonstrated significant progress in facilitating access to finance for MSMEs, particularly those lacking collateral, by promoting cash flow-based lending.

For 2026, NCGIL aims to further expand operations by supporting at least 2,500 MSMEs with guarantees exceeding Rs. 10,000 million, with a focus on women-led enterprises, exports, IT, tourism, agriculture, and environmentally sustainable businesses.

7.2.4.2 Establishing a Comprehensive Regulatory Framework for the Micro Finance Industry

To address the gaps in the Microfinance Act No. 06 of 2016 and introduce a comprehensive regulatory mechanism for money lenders and microfinance providers, a new regulatory framework was proposed to establish a dedicated authority for the sector. Accordingly, the Microfinance and Credit Regulatory Authority Bill was tabled in Parliament on 09 January 2024.

During the public consultation period, certain stakeholders challenged the draft Bill through special determination petitions. After considering these petitions, the Supreme Court issued its determination, specifying the amendments required and provisions to be repealed.

To incorporate these determinations and address stakeholder concerns, a Working Committee and a Steering Committee were appointed to review and refine the Bill.

The Working Committee submitted its report on 09 January 2025, followed by the Steering Committee's report on 04 April 2025, recommending amendments including those required by the Supreme Court.

Subsequently, Cabinet approval was obtained for the proposed revisions on 11 August 2025 and for the revised Bill on 20 September 2025. The revised Bill was later gazette on 14 November 2025 and tabled in Parliament on 27 November 2025, in accordance with the legislative procedure for enactment.

7.2.5 Agriculture supported schemes to enhance the productivity

7.2.5.1 Fertilizer Subsidy Program

In response to fiscal constraints while ensuring continued support to the agriculture sector, the Government of Sri Lanka continued the fertilizer subsidy programme by adopting a direct financial assistance (cash grant) mechanism to farmers. Under this approach, funds are credited directly to farmers' bank accounts, enhancing transparency, targeting, and administrative efficiency.

During the Maha Season 2024/25 and Yala Season 2025, farmers received Rs. 25,000 per hectare for paddy cultivation and Rs. 15,000 per hectare for Other Field Crops (OFCs) cultivated in paddy lands, applicable up to a maximum of two hectares per farmer.

In order to encourage the effective utilization of paddy lands and strengthen domestic agricultural production, the subsidy mechanism was continued for the Maha Season 2025/26, maintaining the same payment structure.

Overall, the programme aims to support farmer livelihoods, promote the efficient use of agricultural inputs, enhance agricultural productivity, and contribute to the stability and resilience of the country's agricultural sector.

7.2.5.2 Assistance to smallholder planters

In order to increase the production of the main export crops by empowering the smallholder planters, the Government offered subsidies for new planting, re-planting, preparation for land, plant protection and other activities in relation to tea, rubber and coconut smallholders. Accordingly, Rs. 1,958 million was distributed among 110,156 such planters of which, Rs. 745 million was provided for 21,159 tea planters, while Rs. 495 million was provided 13,406 rubber planters in the year 2025. In addition, Rs. 718 million was provided to 75,591 coconut growers under this subsidy program.

Table 7.11 | Performance of Smallholder Plantation Sector during the period 2023-2025

Year	Tea			Rubber			Coconut		
	Extent (Ha)	Total Production (Kg Mn.)	Total Value of the Production (Rs. Mn.)	Extent (Ha)	Total Production (Kg Mn.)	Total Value of the Production (Rs. Mn.)	Extent (Ha)	Total Production (Nuts. Mn.)	Total Value of the Production (Rs. Mn.)
2023	267,000	256	428,292	98,393	64	36,607	480,215	2,944	228,720
2024	269,000	262	433,473	84,002	69	55,835	484,677	2,754	257,921
2025	270,000	264	453,277	*	66	54,856	486,491	2,806	368,036

Source: Ministry of Plantation and Community Infrastructure
**The 2025 Rubber land Extent data calculation is being processed.*

7.2.5.3 New Comprehensive Rural Credit Scheme (NCRCS) – "Sarusara"

"Sarusara" is an interest subsidy scheme designed to provide concessional credit facilities to micro and small-scale farmers for their working capital needs. Previously administered by the Department of Regional Development of the Central Bank of Sri Lanka, the scheme has been implemented under the supervision of the Department of Development Finance (DFD), Ministry of Finance, Planning and Economic Development, with effect from 01 January 2025.

Under the NCRCS, loans are available for the cultivation of short-term crops, home gardening activities, and warehouse receipt

financing against agricultural produce stored in government-owned warehouses. The maximum loan amount for short-term crops is up to Rs. 3 million, based on the approved scale of finance and land cultivated. Loans of up to Rs. 500,000 are provided for nurseries, while home gardening activities may obtain up to Rs. 100,000. Warehouse receipt financing is available for up to 70% of the current market value of commodities stored in government warehouses.

The loans carry an effective interest rate of 11% per annum, of which 5% is subsidized by the Government, resulting in a concessionary rate of 6% per annum for the borrower. Repayment periods range from 270 to 365 days, facilitating timely access to affordable finance and supporting rural agricultural development.

7.2.5.4 Compulsory Crop Insurance

The compulsory Crop Insurance Scheme was introduced with the objective of providing extensive insurance coverage for crop damage of paddy and other commercial crops i.e. maize, soya, big onions, potatoes and chilies. The scheme covers the losses caused due to droughts, floods and wild elephant attacks up to the maximum land extent of 5 acres for paddy and 2.5 acres for other commercial crops and the insurance coverage per acre is Rs. 40,000. This scheme is free for farmers and operated with a premium contribution which is made by the Government. Additional coverage can be obtained for damages caused by pests and diseases, other animal attacks and fire paying a premium by the farmers. Insurance coverage can also be obtained for additional cultivation extents and a higher sum insured up to the cost of cultivation by paying an additional premium. During the 2024/25 Maha season around Rs. 1,559 million was paid to 75,197 farmers as compensation for crop damages in cultivated land areas of 88,882 acres.

In addition, for the 2025 Yala season, around Rs. 57 million was paid for 3,007 number of farmers for crop damages in cultivated land areas of 2,430 acres. The General Treasury has provided Rs. 5,323.87 million to Agriculture and Agrarian Insurance Board (AAIB) for these endeavors (progress) in the year 2025.

Table: 7.12 |District-wise Progress of Compulsory Crop Insurance Scheme - 2025

No	District Office	24/25-Maha		25-Yala	
		No of Farmers	Expenditure (Rs.Mn)	No of Farmers	Expenditure (Rs.Mn)
1	Ampara	15,738	339.1	330	8.66
2	Anuradhapura	9,397	193.72	524	10.82
3	Badulla	1,627	29.77	0	0
4	Batticaloa	10,841	279.79	4	0.3
5	Colombo	43	0.69	2	0.03
6	Kurunagala	2,278	24.9	1171	19.05
7	Mannar	5,099	135.95	22	0.31
8	Galle	59	0.5	1	0.01
9	Gampaha	397	4.53	13	0.33
10	Hambantota	981	24.97	265	5.67
11	Jaffna	1,846	13.87	0	0
12	Kaluthara	65	0.58	28	0.24
13	Kandy	182	1.58	67	0.74
14	Kegalle	92	0.4	0	0
15	Kilinochchi	233	5.71	0	0
16	Matale	872	5.58	0	0
17	Matara	960	8.48	0	0
18	Monaragala	1,041	14.47	125	2.62
19	Mullaithivu	2,687	88.04	16	0.27
20	Nuwaraeliya	1,346	7.72	12	0.08
21	Polonnaruwa	6,719	149.5	354	7.14
22	Puttalam	668	14.29	0	0
23	Rathnapura	213	2.36	43	0.59
24	Trincomalee	10,463	180.19	0	0
25	Vavuniya	1,350	32.65	30	0.61
	Total	**75,197**	**1,559.34**	**3,007**	**57.47**

Source: Agriculture and Agrarian Insurance Board

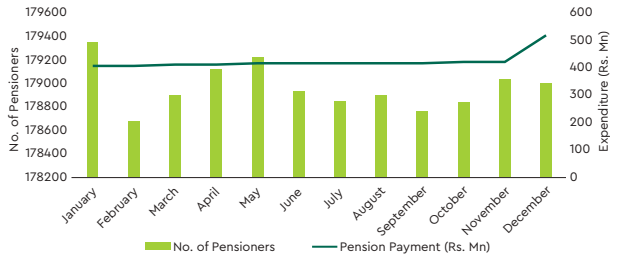
7.2.5.5 Pension Scheme for Farmers

The Agriculture and Agrarian Insurance Board (AAIB) has established the farmers' pension scheme to safeguard the elderly farmers, who have contributed to agricultural development of the country. Approximately, 178,998 farmers were registered under the farmers' pension scheme. In the year 2025, Rs. 5,083 million was distributed among 178,998 farmers as monthly pension under this scheme. Since the farmers' contribution to the scheme is not adequate for the scheme to operate as self-financing scheme, the gap is provided by the General Treasury to the AAIB annually. Accordingly, the General Treasury has provided Rs. 5,324 million to pay pensions for farmers for the year 2025.

As per the instructions issued by the Extra Ordinary Gazette Notification No. 1853/49 dated March 14, 2014, the existing Farmers' Pension and Social Welfare Scheme was re-designed and re-launched the same on October 31, 2022 with the objective of operating the new

farmers' pension scheme as a self-financed scheme. Accordingly, 14,252 number of new farmers were registered under this new farmers' pension scheme during the year 2025.

Figure 7.2 | Progress of Farmers' Pension Scheme – 2025

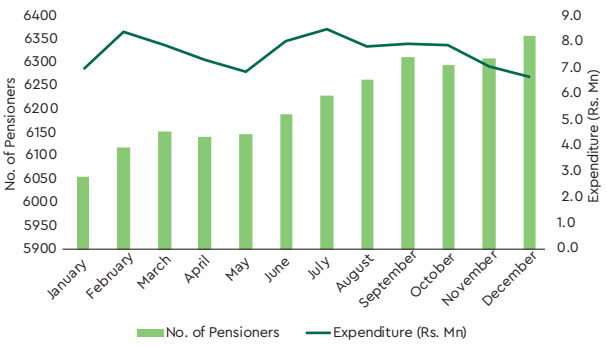


Source: Agriculture and Agrarian Insurance Board

7.2.5.6 Pension Scheme for Fishermen

The fishermen's contributory pension scheme was implemented as a self-sustained scheme by the AAIB and nearly 6,359 numbers of fishermen were registered under this scheme at the end of year 2025. Rs. 91 million was distributed among nearly 6,359 fishermen as their monthly pension during the year 2025.

Figure 7.3 | Progress of Fishermen's Pension Scheme – 2025



Source: Agriculture and Agrarian Insurance Board

Under the existing scheme, the fishermen receive a monthly pension ranging from Rs. 1,000 to Rs. 4,000. Since this amount is not sufficient when compared with the current cost of living, the new pension scheme for fishermen i.e. 'Fishermen's Pension and Social Security Benefits Scheme' was officially announced in the Gazette No 2428/13 dated 19.03.2025 by the Ministry of Fisheries, Aquatic and Ocean Resources. This new scheme will be implemented from 2025 onwards in cooperation with the AAIB, as a more beneficial and self-financing scheme.

7.2.6 Special Interest Subsidy Schemes

7.2.6.1 The Special Fixed Deposit Scheme for Senior Citizens – 2025

The Senior Citizen Special Interest Fixed Deposit Scheme was introduced as a targeted social protection measure to support elderly citizens affected by rising living costs and declining real returns on savings. The scheme aims to provide enhanced interest income for senior citizens who largely depend on fixed deposit earnings for their financial stability during retirement.

The General Treasury, through the Department of Development Finance, implemented the scheme in collaboration with 18 licensed banks. Under this arrangement, participating banks offer an enhanced interest rate on fixed deposits for eligible senior citizens, while the Government compensates the differential component through a budgeted interest subsidy allocation.

The implementation process is integrated with the Loan Management System (LMS), enabling transparent reporting, real-time monitoring of accounts, accurate calculation of subsidies, and proper reconciliation while maintaining a clear audit trail.

As at 31 December 2025, a total of 330,676 fixed deposit accounts had been opened under the scheme with a cumulative deposit value of Rs. 257 billion. In addition, an interest subsidy amounting to Rs. 786 million has been reimbursed to participating banks. The remaining subsidy payable up to 31 December 2026 will be settled in accordance with the budgetary allocation approved under the 2026 fiscal framework.

7.2.6.2 Reimbursing the Additional Interest paid by the Authorized Dealers for the Special Deposit Account (SDA)

As per the sections 29 and 7 of the Foreign Exchange Act, No. 12 of 2017, the regulations were published in the Gazette Notification No.2170/4 dated 08.04.2020, No.2202/7 dated 17.11.2020, No. 2234/19 dated 30.06.2021 and No. 2273/06 dated 28.03.2022, permitting to open SDAs for a period of 06 months, 12 months, 24 months and 36 months, respectively. Accordingly,

Authorized Dealers are permitted to open and maintain SDAs at the Domestic Banking Units (DBUs) for Sri Lankan individual resident in or outside Sri Lanka, dual citizens, citizens of other States with Sri Lankan origin, non-national residents in or outside Sri Lanka including funds, corporate bodies, associations incorporated / registered outside Sri Lanka and any other well-wisher. Consequently, Authorized Dealers are paid additional 2 percent annual interest rate for the aforesaid SDAs at the maturity of those deposits.

Accordingly, Rs. 7,232.38 million has been reimbursed to the Central Bank (CBSL) of Sri Lanka with respect to settling the additional interest paid by the Authorized dealers for SDAs from 2023 to 2025.

Table 7.13 | Reimbursement of Interest Subsidy Payments

Year	2023–2025 Total Interest Subsidy Settled (Rs. Million)
2023	1,916.40
2024	676.6
2025	2,976.00
Total	**5,569.00**

Source: Department of Development Finance

7.2.6.3 "Enterprise Sri Lanka" interest subsidy loan scheme

The "Enterprise Sri Lanka" Interest Subsidy Loan Scheme, implemented between 2017 and 2020, was established to promote entrepreneurship and improve access to affordable finance for businesses across various sectors. Although the lending phase has concluded, the General Treasury continues to honor the interest subsidy obligations for loans disbursed under the programme until the completion of their respective tenures.

In 2025, a total of Rs. 1,725.65 million was paid to participating financial institutions as interest subsidies, demonstrating the Government's continued commitment to supporting entrepreneurs and fostering sustainable business development.

Table 7.14 | Interest Subsidy payment for "Enterprise Sri Lanka Programme – 2025

PFI	Total Interest Subsidy paid (Rs. Million)
BOC	615.17
People's Bank	186.3
NSB	116.77
RDB	166.01
SLSB	1.121
HNB	53.42
Sampath	1.44
Seylan	71.75
Union	1.05
DFCC	29.49
NTB	1.81
Pan Asia	1.72
Commercial	241.64
Amana	195.62
NDB	41.96
SMIB	0.38
Total	**1,725.65**

Source: Department of Development Finance

7.2.6.4 Providing Relief for Individuals with Pawned Jewelry in Licensed Banks

Pawning has become an important source of credit, particularly for low-income families who do not qualify for conventional bank loans. These advances are often used to finance consumption, agricultural activities, and micro-enterprises. In response to repayment difficulties during recent economic challenges, the Government introduced a targeted relief programme, effective 01 August 2024, providing an interest subsidy on pawning advances obtained from licensed banks by beneficiaries of the Aswasuma Programme.

Under the scheme, an interest subsidy of up to ten percent (10%) per annum is available for pawning advances not exceeding Rs. 100,000. In 2025, approximately Rs. 93,917.39 was disbursed to participating banks under this initiative, reflecting the Government's commitment to supporting vulnerable households and strengthening micro-level economic resilience.

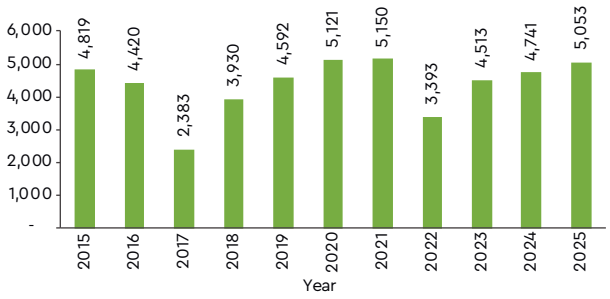
7.3 Food Security

7.3.1 Government Paddy Purchasing Programme

Rice is the staple food of Sri Lanka, making paddy production critical for national food security, reducing dependence on imports, and ensuring self-sufficiency. Recognizing its strategic importance, the Government has implemented several supportive measures, including fertilizer subsidies, the provision of quality seed paddy at concessionary prices, agricultural extension services, and a guaranteed price scheme for paddy. These interventions have contributed to a steady increase in paddy production in recent years.

Under these circumstances, the total annual paddy production was increased to 5,053,000 mt in 2025 recording 6% increment compared to the 2024. The figure 7.4 below illustrates total paddy production in Sri Lanka from 2015 to 2025.

Figure 7.4 | Total Paddy Production 2015 - 2025
(Paddy Production (000'mt))



Source: Department of Census and Statistics

The Government Paddy Purchasing Programme was implemented to ensure fair prices for paddy farmers, maintain the availability of rice for consumers at affordable prices, and strengthen SME paddy millers. The programme is administered through the Paddy Marketing Board (PMB), while the pledge loan scheme implemented by DFD supports SME paddy millers and Cooperative Societies via state and private banks.

In 2025, the PMB purchased 49,612 mt of paddy using funds provided by the General Treasury, while an additional 112,894 mt were purchased under the pledge loan scheme through state and private banks, ensuring continued support to farmers and small-scale millers.

Table 7.15 | Paddy purchased under the Government Paddy Purchasing Programme,

Season	2023 –2025				
		Variety of Paddy			Value (Rs. Million)
		Nadu (Mt)	Samba (Mt)	Total (Mt)	
Yala 2023	PMB	2,151	3	2,154	205
	Pledge Loan	4,964	0	4,964	467
	Sub Total	**7,115**	**3**	**7,118**	**672**
Grand Total – 2023		**7,115**	**3**	**7,118**	**672**
Maha 2023/24	PMB	2,631	7	2,638	277
	Pledge Loan	15,537	6,283	21,820	2,417
	Sub Total	18,168	6,290	24,458	2,694
Yala 2024	PMB	-	120	120	16
	Pledge Loan	30,379	11,189	41,568	4,393
	Sub Total	30,379	11,309	41,688	4,409
Grand Total – 2024		**48,547**	**17,599**	**66,146**	**7,103**
Maha 2024/25	PMB	56	4	60	8
	Pledge Loan	47,833	9,855	57,688	6,893
	Sub Total	47,889	9,859	57,748	6,901
Yala 2025	PMB	237	49,315	49,552	6,029
	Pledge Loan	48,231	6,975	55,206	6,703
	Sub Total	48,219	56,290	104,509	12,732
Grand Total – 2025		**96,108**	**66,149**	**162,257**	**19,633**

Source : Paddy Marketing Board, Respective District Secretaries and Banks

7.3.2 Paddy Purchasing by the Private Sector

Both state and private sector banks supported private sector paddy purchasing by providing the necessary financing, with bank credit remaining the primary source of funds for these programmes.

According to the data (Table 7.16), the total number of loans granted increased from 2,369 in 2024 to 3,335 in 2025, reflecting a 41% growth compared to the previous year. However, the total value of loans granted declined from Rs. 86,812 million in 2024 to Rs. 74,369 million in 2025, representing a 14% decrease.

Table 7.16 | Progress of Granting Loans for Purchasing Paddy for Private Sector, 2024-2025

PFI	2024		2025	
	No of Loans	Loan Amount (Rs. Million)	No of Loans	Loan Amount (Rs. Million)
PB	170	9,159	496	9,461
BOC	725	34,983	647	33,390
RDB	12	79.5	35	449
Sub-Total-State Banks	**907**	**44,221**	**1,178**	**43,300**
Commercial	430	8,385	575	5,640
Sampath	51	7,037	388	1,994
DFCC	7	63	210	2,721
Seylan	235	7,677	32	1,373
Pan Asia	8	119	6	64
Amana	391	4,677	439	4,864
NDB	179	9,795	112	4,317
NTB	85	1,803	122	2,558
HNB	55	887	188	4629
Cargills	21	2,148	85	2,909
Sub-Total-Private Banks	**1,462**	**42,591**	**2,157**	**31,069**
Grand Total	**2,369**	**86,812**	**3,335**	**74,369**

Source : Respective Banks

7.3.3 Government Storage Facilities for Agricultural Products

The Government, with financial support from the World Bank, has established five modern Farmers' Grain Preservation Centers (FGPCs) in key agricultural districts: Anuradhapura, Monaragala, Mannar, Kilinochchi, and Polonnaruwa. Equipped with advanced preservation technology and managed under an incentive-based model, these centers provide high-quality storage services for grains i.e. paddy, maize, soybean, and black gram. With a combined storage capacity of 17,200 mt, the centers help farmers reduce exposure to seasonal price volatility by securely storing produce until market conditions are favorable.

In addition to storage, the centers offer value-added services such as professional drying, cleaning, and grain quality certification. A key feature is the Warehouse Receipt Financing (WRF) mechanism, which allows farmers to use stored produce as collateral to access concessional credit, thereby integrating rural producers into the formal financial system.

Performance Highlights (2024–2025):

- Total Grain Inflow: Increased by 28.5%, from 4,537 mt in 2024 to 5,828 mt in 2025, reflecting growing farmer confidence.
- Registered Farmer Participation: Rose by 7.4%, from 3,897 to 4,187 farmers, with particularly strong growth in Mannar district.
- Warehouse Receipt Financing: Total credit disbursement increased by 36.1%, from Rs. 257.92 million to Rs. 351.00 million, improving access to formal agricultural credit.

Despite progress in service expansion, operational income declined slightly from Rs. 20.60 million in 2024 to Rs. 19.57 million in 2025, while operational costs increased from Rs. 23.41 million to Rs. 24.93 million, widening the operational deficit. Nevertheless, the growth in storage volumes and financial integration indicates stronger value-chain linkages and enhanced rural economic participation.

Moving forward, strategic priorities include optimizing capacity utilization, improving cost recovery mechanisms, and leveraging growing storage demand to ensure long-term financial sustainability and increased resilience in the agricultural sector.

Table 7.17 | Progress of Program in the Grain Preservation Centers 2024-2025

Description	Warehouse											
	Monaragala (Buttala)		Polonnaruwa (Medirigiriya)		Anuradhapura (Upuldeniya)		Kilinochchi (Kanakampikaikulam)		Mannar (Murunkan)		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Operational Income (Rs. mn)	3.74	4.11	3.39	3.39	2.27	3.21	7.38	5.86	3.82	3	20.6	19.57
Operational Cost (Rs. mn)	4.62	4.97	3.66	4.15	5.58	6.46	4.74	4.65	4.81	4.7	23.41	24.93
Annual grain inflow (storing) (mt)	1,168	1,075	482	1,065	719	1,715	1,356	1,453	812	530	4,537	5,838
No. of registered farmers	1,500	1,537	182	207	1,152	1,204	380	427	683	812	3,897	4,187
Warehouse receipt finance (Rs. mn)	78.75	72.6	20.53	50.3	67.69	180.7	44.11	34.9	46.84	12.5	257.92	351

Source: Department of Development Finance

7.3.4 Cost of Living

Managing the cost of living was a key priority for the Government in 2025, particularly as food and nutrition security remained a significant challenge. A range of policy measures was implemented to protect both consumers and producers.

Key interventions included:

- Maximum Retail Prices (MRPs): Imposed on selected essential commodities to prevent excessive price increases for consumers.
- Minimum Guaranteed Prices: Introduced to ensure fair returns for farmers.
- Special Commodity Levy (SCL) adjustments: Made to maintain the availability of essential food items at affordable prices while protecting domestic producers.

The Food Policy and Security Committee guided policy decisions using data-driven analysis and stakeholder participation, ensuring national food security and improved nutritional outcomes.

Table 7.18 | Several Measures to Control Cost of Living - 2025

Commodity	Description of Special Commodity Levy (SCL)/ Maximum Retail Price (MRP)	Effective Date
Big Onion	SCL was increased from Rs 10/- to Rs 50/- per kg for another 03 months	26.08.2025
	SCL was continued as Rs 50/-per kg for until 31.12.2025	26.11.2025
Mysore Dhal	SCL was continued as 25 cents per kg for another 1 year	31.12.2025
Rice	MRPs were imposed	
Imported Raw Rice	Rs. 210/- per kg	21.10.2025
Imported Nadu Rice	Rs. 220/- per kg	
Imported Samba Rice	Rs. 230/- per kg	
Imported Ponni Samba – GR11	Rs. 240/- per kg	
Imported Kiri Ponni or Paal Ponni – GR 11	Rs. 255/- per kg	
Rice	SCL was continued as Rs 65/- per kg for one year	31.12.2025
Cowpea	SCL was continued as Rs.300/- per kg for one year	31.12.2025
Green gram	SCL was continued as Rs 300/- per kg for one year	31.12.2025
Potato	SCL was increased from Rs. 60/- to Rs. 80/- per kg for another 03 months	26.08.2025
	SCL was continued as Rs 80/-per kg for until 31.12.2025	26.11.2025
Black Gram – whole	SCL was continued as Rs.300/- per kg for one year	31.12.2025

Source: Consumer Affairs Authority and Department of Trade and Investment Policy

08

Performance of State Owned Enterprises (SOEs)

8.1 Overview

The State Owned Enterprises (SOEs), particularly the main 51 SOEs, play a significant role in the socio-economic development of the country through their engagement in 15 key sectors, including banking and finance, insurance, energy, water, ports, plantations, and health. Their contribution extends beyond revenue and profit generation to encompass employment creation, price stabilization, the provision of public services and utilities, infrastructure development, financial inclusion, poverty alleviation, and the maintenance of fiscal stability.

During the year 2025, excluding the Ceylon Electricity Board, the remaining 50 SOEs reported a total profit of Rs. 483.2 billion, reflecting an increase of 21.5 percent compared to the total profit of Rs. 397.5 billion recorded in 2024. However, owing to the net loss of Rs. 38.7 billion incurred by the Ceylon Electricity Board in 2025, compared to the net profit of Rs. 141.6 billion recorded in 2024, the overall profitability of the main 51 SOEs declined by 17.6 percent to Rs. 444.4 billion.

The improved performance of the SOE sector was reflected in its increased contribution to the Consolidated Fund through levies and dividends. Accordingly, collections from SOEs by way of levies and dividends increased to Rs.56.5 billion in 2025, compared to Rs. 41.1 billion in 2024.

In line with the Government's policy on reforming the SOE sector, several initiatives were undertaken during the year 2025. These included the approval of the Cabinet of Ministers for the closure, restructuring, or merger of several non-commercial SOEs based on the recommendations of the Cabinet-appointed Committee; approval for the liquidation of 33 non-functional SOEs; and approval to draft the Public Commercial Enterprises Management Bill with the objective of ensuring that all public commercial enterprises are managed professionally, independently, productively, and in accordance with commercial principles, while adhering to the highest standards of governance, accountability, and transparency.

Meanwhile, in line with the Cabinet-approved State-Owned Banks (SOB) Reform Policy, key reforms were implemented in State-Owned Banks. These reforms included the appointment of independent directors, with the assistance of a committee of professionals, resulting in independent directors constituting the majority of the Boards of the SOBs.

The enactment of the Sri Lanka Electricity (Amendment) Act, No. 14 of 2025 in August 2025 was followed by several key reforms in the power sector, including the introduction of the National Energy Policy and the National Tariff Policy, as well as the establishment of six Government-owned companies to unbundle the functions of the Ceylon Electricity Board. These reforms are expected to enhance efficiency, transparency, and accountability within the power sector.

The Government continued to support the reform initiatives of SriLankan Airlines (SLA) by assisting its debt restructuring process, including the restructuring of the USD 175 million international bond, with the objective of easing liquidity pressures and improving the airline's financial stability. Accordingly, the General Treasury infused Rs. 25.28 billion as equity capital into SLA during 2025.

During the year 2025, with a view to enhancing the governance of SOEs through improved reporting practices, the General Treasury, with the approval of the Cabinet of Ministers, introduced a comprehensive guideline for the preparation of annual reports. Further, in order to enhance financial discipline, transparency, equitable treatment of all stakeholders, and enhancing efficiency in decision-making through the empowerment of Boards of Directors, a circular was issued providing guidelines on sponsorships, donations, indirect business-related promotional expenses, and corporate social responsibility activities of SOEs.

Table 8.1 | SOEs Financial Outturn

Rs. Million

Sector	Number of SOEs	Total Revenue[a]	PBT/ (LBT)[b]	PBT/ (LBT)[b]
		2025	2024	2025
Energy	2	1,295,968	175,793	-2,279
Water	1	89,385	23,833	31,604
Ports	1	110,262	46,349	57,278
Commuter Transportation	1	73,783	547	4,312
Aviation	2	391,020	21,076	10,447
Construction	3	13,417	-1,383	-759
Banking and Finance	7	1,262,910	241,365	304,816
Insurance	4	53,254	16,918	14,083
Lotteries	2	87,886	10,400	15,664
Livestock	2	24,536	216	1,724
Plantations	6	9,015	343	1,132
Non-Renewable Resources	3	3,527	412	1,156
Health	4	112,065	6,292	7,082
Media	3	4,423	-420	-388
Marketing and Distribution[c]	10	99,771	-2,613	-1,461
Total	**51**	**3,631,222**	**539,128**	**444,411**

Sources: SOEs and Department of Public Enterprises
[a] Provisional
[b] Profit before Tax (PBT)/ Loss before Tax (LBT) – Provisional
[c] 11 SOEs in 2024

Table 8.2 | Levy/ Dividend Income from SOEs

Rs. Million

	2021	2022	2023	2024	2025
Levy	**24,442**	**22,004**	**60,497**	**33,190**	**47,332**
National Savings Bank	3,500	–	–	–	6,088
Bank of Ceylon	1,500	–	–	–	5,000
People's Bank	500	441	–	–	2,000
Telecommunication Regulatory Commission of Sri Lanka	8,500	13,200	23,000	9,000	3,000
Ceylon Petroleum Corporation	–	–	–	–	6,000
National Water Supply and Drainage Board	–	–	–	–	200
State Timber Corporation	100	320	641	–	585
State Pharmaceuticals Manufacturing Corporation	100	100	300	300	779
National Insurance Trust Fund	1,824	1,608	2,000	2,919	4,973
Geological Survey and Mines Bureau	2,000	1,000	2,000	1,468	1,688
National Gem and Jewellery Authority	15	35	390	25	145
Board of Investment of Sri Lanka	–	416	533	928	1,150
National Lotteries Board	900	361	1,000	1,060	1,250
Sri Lanka Standard Institution	–	10	40	13	269
Sri Lanka Export Credit Insurance Corporation	25	50	620	300	150
Central Engineering Consultancy Bureau	25	–	–	–	15
Sri Lanka Tourism Promotion Bureau	–	–	500	500	1,000
Civil Aviation Authority	50	1,000	4,000	750	1,000
State Pharmaceutical Corporation	–	350	–	100	487
National Transport Medical Institute	110	290	150	850	280
Sri Lanka Bureau of Foreign Employment	–	1,200	7,000	–	5,000
National Transport Commission	–	10	300	250	300
Sri Lanka Tourism Development Authority	–	–	75	–	275
Sri Lanka Land Reclamation and Development Authority	–	–	500	–	100
Sri Lanka Ports Authority	–	1,015	8,066	607	2,000
National Medicine Regulatory Authority	147	400	646	880	751
Road Development Authority	4,000	–	75	1,749	2,128
Land Reforms Commission	1,100	–	350	15	100
Condominium Management Authority	25	50	200	–	10

Table 8.2 | Levy/ Dividend Income from SOEs Contd...

Rs. Million

	2021	2022	2023	2024	2025
National Institute of Business Management	16	33	115	85	30
Sri Lanka Ayurvedic Drugs Corporation	5	–	–	5	76
Post Graduate Institute of Management	–	90	25	4	30
Other SOEs	–	25	7,971	11,381	474
Dividends	**4,672**	**6,087**	**15,204**	**7,890**	**9,211**
National Savings Bank	60	60	30	–	–
Bank of Ceylon	346	346	173	–	–
People's Bank	316	316	158	–	–
Sri Lanka Insurance Corporation Ltd	899	1,511	2,272	1,271	1,987
Airport and Aviation Services (SL)(Pvt) Ltd	–	500	5,500	1,286	2,931
Lanka Mineral Sands Ltd	700	759	2,500	158	–
Lanka Phosphate Ltd	20	20	220	75	125
Lanka Leyland Ltd	3	13	6	–	14
Rakna Arakshaka Lanka Ltd	–	–	125	75	–
Manthai Salt Ltd- (National Salt Ltd)	15	–	120	–	30
Ceylon Fertilizer Ltd	29	15	22	15	–
Colombo Commercial Fertilizer Ltd	–	10	60	30	–
Paranthan Chemicals Company Ltd	3	50	305	131	33
STC General Trading Company	–	11	150	50	116
Sri Lanka Telecom PLC	1,331	1,805	223	–	227
De La Rue Lanka Ltd	345	313	–	1,324	494
Lanka Electricity Company Ltd	327	218	697	436	436
Lanka Industrial Estates Ltd	82	–	174	98	101
Ceylon Agro Industries	95	24	167	202	226
Plantation Companies	98	95	554	559	214
Lanka Sugar Company Limited	–	–	1,597	–	–
Lanka Thriposha Ltd	–	10	75	100	123
Others	3	11	75	2,080	2,155
Total	**29,114**	**28,091**	**75,701**	**41,080**	**56,543**

Sources: SOEs and Department of Public Enterprises

Table 8.3 | Asset Base of Key SOEs

Rs. Million

Sector	Number of SOEs	Total Assets as at 31.12.2024[a]	Total Assets as at 31.12.2025[a]	Growth (%)
Energy	2	1,432,628	1,442,588	0.70
Water	1	1,004,715	1,064,984	6.00
Ports	1	764,109	810,496	6.07
Commuter Transportation	1	54,580	61,874	13.36
Aviation	2	404,440	459,860	13.70
Construction	3	36,580	36,700	0.33
Banking and Finance	7	11,071,575	12,163,497	9.86
Insurance	4	202,365	229,059	13.19
Lotteries	2	16,504	18,683	13.20
Livestock	2	29,982	30,310	1.09
Plantations	6	19,591	21,409	9.28
Non-Renewable Resources	3	11,291	12,900	14.25
Health	4	91,511	99,344	8.56
Media	3	6,008	5,949	-0.97
Marketing and Distribution[b]	10	131,875	125,629	-4.74
Total	**51**	**15,277,754**	**16,583,282**	**8.55**

Sources: SOEs and Department of Public Enterprises

[a] Provisional and for SOEs with financial year end on 31st March, total assets as at 31st March have been considered

[b] 11 SOEs in 2024

8.2 Energy

8.2.1 Ceylon Electricity Board

The Ceylon Electricity Board (CEB), despite recording profits for two consecutive years in 2023 and 2024, reported a loss in 2025 notwithstanding the availability of a cost-recovery pricing mechanism. This was influenced by a series of tariff revisions approved by the Public Utilities Commission of Sri Lanka (PUCSL), where, electricity tariffs were reduced by 21.9 percent in March 2024 and by a further 22.5 percent in July 2024, followed by an additional reduction of 20 percent in the average end-user tariff in January 2025. Although a tariff increase of 15 percent was implemented in June 2025, the cumulative effect led the CEB to record a net loss of Rs. 38.7 billion in 2025, compared to a net profit of Rs. 141.6 billion in the previous year.

Despite an increase in electricity consumption by 5.9 percent to 16,088 GWh in 2025, CEB experienced a notable decline in revenue, primarily due to consecutive tariff reductions. Accordingly, income from sale of electricity decreased by 22.8 percent to Rs. 422.2 billion in 2025 from Rs. 547 billion in 2024. In line with the increase in units generated by 5.9 percent to 18,407 GWh, direct generation cost of electricity increased marginally by 1.4 percent to Rs. 309.6 billion in 2025, compared to Rs.305.5 billion in 2024. Meantime, transmission and distribution cost, and corporate expenses also increased by 22 percent and 50 percent to Rs. 256 billion and Rs. 21.5 billion, respectively, while the other income decreased by 63 percent to Rs.25.3 billion in 2025. As a result, CEB ended up the year 2025 with an operating loss of Rs. 26.1 billion, compared to the operating profit of Rs. 159.8 billion in 2024. Consequently, CEB recorded a net loss of Rs. 38.7 billion in 2025, compared to the net profit of Rs. 141.6 billion in 2024. As a result, outstanding bills to CPC and independent power producers increased to Rs. 28.5 billion at the end of 2025, compared to Rs. 14.5 billion at the end of 2024.

The generation mix for the year 2025 recorded as thermal (coal): hydro: Non-Conventional Renewable Energy (NCRE), wind and rooftop solar: and thermal (fuel) as 29:35:24:12 percent, respectively in 2025, compared to 35:31:20:14 percent, respectively in 2024. The increased rainfall experienced during the latter part of 2025, together with the addition of approximately 900 MW of NCRE capacity primarily from solar power, significantly reduced the reliance on coal and fuel-based generation. This shift in generation mix is reflected through the reduction in average unit cost at the selling point, which declined to Rs. 30.23 per kWh in 2025 from Rs. 31.16 per kWh in 2024.

In line with the Extended Fund Facility (EFF) arrangement with the International Monetary Fund (IMF), the settlement of the legacy debt of the CEB was identified as a structural benchmark effective from April 2025. Accordingly, the Cabinet of Ministers approved a legacy debt settlement plan, and the CEB initiated the restructuring of its outstanding legacy debt, which amounted to Rs. 181.7 billion as at 30 September 2024, through a Debt Negotiation Committee appointed by the Secretary of the Ministry of Energy. As a result, Rs. 48.5 billion of legacy debt has been restructured and Rs. 20 billion of debentures have been redeemed, reducing the total outstanding legacy debt to Rs. 77.2 billion as at April 30, 2026.

Amendments to the Sri Lanka Electricity Act, No. 36 of 2024 were certified in August 2025. Accordingly, six fully government-owned companies were established and incorporated to undertake activities related to the restructuring of the electricity sector, covering generation, transmission, and distribution. These entities are National System Operator (Private) Limited, Electricity Distribution Lanka (Private) Limited, Electricity Generation Lanka (Private) Limited, National Transmission Network Service (Private) Limited, Energy Ventures Lanka (Private) Limited, and CEB Employees' Funds (Private) Limited.

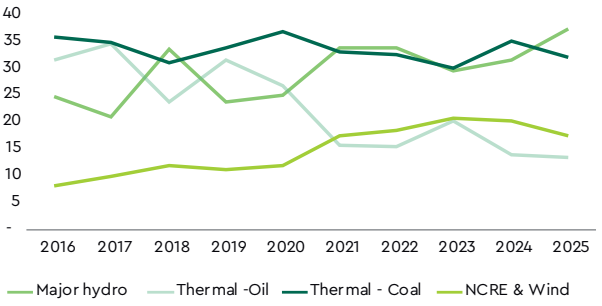
In parallel, the Power Sector Reform Secretariat (PSRS) prepared a Preliminary Transfer Plan (PTP) to facilitate the transition and transfer of functions associated with generation, transmission, distribution, and supply of electricity. This included a financial plan for the vesting of assets and liabilities to the successor companies for commencement of operations. Further, the National Electricity Advisory Committee formulated the National Energy Policy, including the National Tariff Policy, and it was approved by the Cabinet of Ministers in

March, 2026.

Meanwhile, in terms of the above Act, a Voluntary Retirement Scheme (VRS) was introduced and approved by the Cabinet of Ministers for employees of the CEB who do not opt to be assigned to the successor companies, in line with the restructuring requirements of the sector. Further, by virtue of the powers vested in the Minister of Energy under the Sri Lanka Electricity Act, No. 36 of 2024, and having been satisfied with the Preliminary Transfer Plan (PTP), the National Energy Policy including the National Tariff Policy along with the Annual Power Procurement Plan, the Long-Term Generation Expansion Plan, and the Long-Term Transmission Development Plan prepared by the CEB, an Extraordinary Gazette Notification No. 2478/41 dated March 05, 2026 was published. This Gazette declared March 09, 2026 as the "appointed date," marking the legal commencement of operations for the CEB's successor companies.

Figure 8.1 | Generation Mix Percentage by Sources 2016-2025

(Percentage of generation)



Source: Ceylon Electricity Board

Table 8.4 | Installed Capacity and Power Generation of CEB - 2023 - 2025

	2023			2024			2025[a]		
	Installed Capacity MW	Generation Percentage on Total Generation	GWh	Installed Capacity MW	Generation Percentage on Total Generation	GWh	Installed Capacity MW	Generation Percentage on Total Generation	GWh
Hydro	1,413	29	4,573	1,533	31	5,446	1,533	35	6,329
Thermal – CEB Oil	801	13	1,975	801	10	1,627	801	8	1,471
Thermal – IPP Oil	386	7	1,160	482	4	768	482	4	798
Thermal – Coal	900	30	4,646	900	35	6,059	900	29	5,408
Wind – CEB	104	3	391	104	2	383	104	2	378
NCRE	776	14	2,211	794	13	2,236	918	13	2,348
Rooftop Solar	652	4	632	1,141	5	864	1,935	9	1,674
Total	**5,032**	**100**	**15,588**	**5,755**	**100**	**17,383**	**6,673**	**100**	**18,407**

Source : Ceylon Electricity Board

[a] Provisional

Table 8.5 | Operational Statistics and Financial Outturn of Ceylon Electricity Board

Rs. Million

	2021	2022	2023	2024	2025[a]
Operational Statement					
Revenue	**261,373**	**321,432**	**640,438**	**615,019**	**447,537**
Sale of Electricity	248,776	308,457	606,628	547,010	422,205
Other Income	12,597	12,975	33,810	68,009	25,332
Expenditure	**295,512**	**524,933**	**582,805**	**473,414**	**486,277**
Direct Generation Cost	**157,374**	**325,245**	**407,173**	**305,487**	**309,627**
IPP (With NCRE)	85,690	121,244	128,004	115,293	159,861
CEB – Fuel Cost (Oil & Coal)	71,684	204,001	279,169	190,194	149,766
Generation, Transmission & Distribution O & M Cost	76,189	85,615	65,109	95,551	100,764
Corporate Expenses & Tax	8,047	38,458	12,034	14,259	21,455
Interest on Borrowings and Delayed Payments	20,431	41,850	63,131	21,771	16,119
Depreciation	33,471	33,765	35,357	36,346	38,311
Profit /(Loss) After Net Finance Cost	**-34,139**	**-203,501**	**57,633**	**141,605**	**-38,740**
Exchange Gain/(Loss)	-	-94,689	-	-	-
Profit/(Loss) Before Tax	-34,139	-298,189	57,633	141,605	-38,740
Actuarial gain / (loss) on defined benefit obligations	-504	-11,059	-3,154	4,182	2,666

Table 8.5 | Operational Statistics and Financial Outturn of Ceylon Electricity Board Contd...

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Comprehensive Income/ (Loss) for the period	**-34,643**	**-309,248**	**-54,479**	**145,787**	**-36,074**
Liquidity Position					
Borrowings from Banks	32,701	78,181	48,348	36,580	66,677
Payments to Banks	26,938	34,108	47,537	34,641	72,455
Outstanding Debt to Banks	428,300	220,743	263,510	253,693	253,390
Debenture		20,000	20,000	20,000	20,000
Purchases from CPC and IPP	100,630	176,989	235,727	175,332	164,785
Payments to CPC and IPP	96,598	152,790	364,818	220,767	163,834
Outstanding to CPC and IPP	141,094	192,619	85,526	14,508	28,511
Operational Statistics					
Units Sold (GWh)	15,214	14,520	14,153	15,191	16,088
Units Generated (GWh)	17,378	15,942	15,588	17,387	18,407
Cost per Unit (Rs.)	19.42	36.15	41.18	31.16	30.23
Sales per Unit (Rs.)	16.35	21.24	42.86	36.01	26.24

Source: Ceylon Electricity Board

[a] Provisional

8.2.2 Ceylon Petroleum Corporation

In 2025, the Ceylon Petroleum Corporation (CPC) recorded an improved financial and operational performance compared to 2024 with the continued implementation of the cost-recovery pricing formula, which enabled CPC to better align domestic retail prices with global petroleum prices and exchange rate movements. The CPC experienced favorable movements in international oil prices during the year, with Average Brent crude oil prices declined from around USD 80.5 per barrel in 2024 to around USD 69.1 per barrel in 2025, thereby easing the CPC's import cost compared to year 2024. The combined effect of lower international oil prices and the continued implementation of the cost-recovery pricing formula helped preserve operating margins and improve profitability in 2025.

During 2025, United Petroleum of Australia exited the domestic fuel retail market, citing unfavorable operational conditions and the limited scale of the local market. Nevertheless, given its relatively limited market presence, the exit is unlikely to have materially affected CPC's sales performance compared to 2024, while competition remained from Lanka IOC, Sinopec, and RM Parks.

Reflecting the improved market environment and continued demand recovery, CPC's total sales volume increased by 6.3 percent to 4,144.8 million litres in 2025 from 3,898.3 million litres in 2024. This increase was mainly driven by higher demand for fuel used for transport and power generation sectors. Sales of Petrol 92 Octane increased by 3.4 percent from 1,056.8 million litres in 2024 to 1,092.6 million litres in 2025, while Auto Diesel sales rose marginally from 1,205.7 million litres to 1,209.5 million litres. In addition, Jet A-1 fuel sales increased by 9 percent to 644.8 million litres compared to 2024, reflecting improved aviation and tourism-related activity.

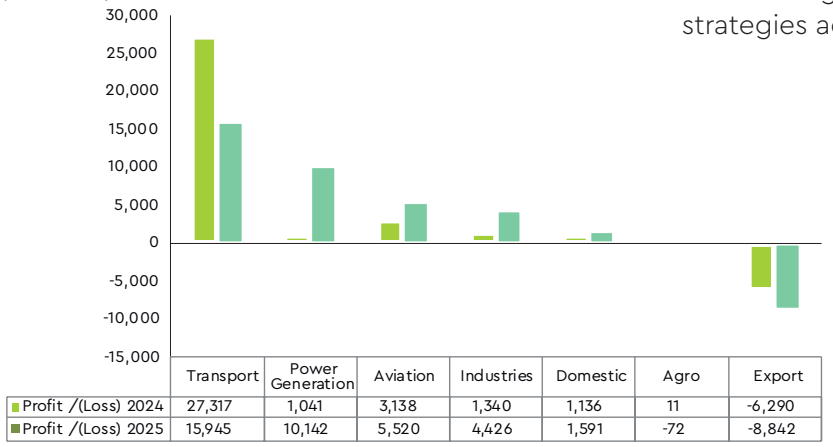
Despite an 8.7 percent decline in total revenue to Rs. 848.4 billion in 2025 from Rs. 929.6 billion in 2024, CPC recorded a profit before tax of Rs. 36.5 billion in 2025, reflecting an increase of 6.6 percent from Rs. 34.2 billion in 2024. This improvement was mainly attributable to the 9.6 percent reduction in cost of sales to Rs. 766 billion, together with decreases in sales and distribution, administrative, and finance costs by 11 percent, 29 percent, and 98 percent, respectively.

As evidence of its continued fiscal responsibility, CPC remitted Rs. 6 billion to the Consolidated Fund, reaffirming its role as a contributor to the national economy and a responsible public sector enterprise.

A sector-wise comparison with 2024 indicates some shifts in earnings composition. Although

the transport sector remained the largest contributor, profit from this segment declined to Rs. 15.9 billion in 2025 from Rs. 27.3 billion in 2024. However, this was more than offset by stronger performance in other sectors. Profit from the power generation sector increased sharply to Rs. 10.1 billion from Rs. 1 billion, while aviation sector profits increased to Rs. 5.5 billion from Rs. 3.1 billion. Similarly, the industrial sector contribution rose to Rs. 4.4 billion in 2025 from Rs. 1.3 billion in 2024.

Figure 8.2| Sector-wise Financial Performance
(Rs. Million)



	Transport	Power Generation	Aviation	Industries	Domestic	Agro	Export
Profit /(Loss) 2024	27,317	1,041	3,138	1,340	1,136	11	-6,290
Profit /(Loss) 2025	15,945	10,142	5,520	4,426	1,591	-72	-8,842

Source: Ceylon Petroleum Corporation

On the external front, CPC's total petroleum import bill declined by 9.3 percent to USD 1,937 million in 2025 from USD 2,134 million in 2024, despite an increase in import volumes. This decline was mainly attributable to lower international petroleum prices and reduction in the cost of imported refined petroleum products.

Overall, compared to 2024, CPC's improved performance in 2025 was driven by the continued implementation of the cost-recovery pricing formula together with the cost management strategies adopted by the corporation.

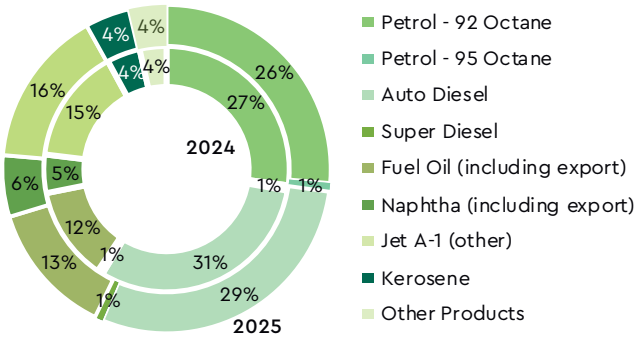
Table 8.6 | Financial Outturn of Ceylon Petroleum Corporation

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Revenue	**613,733**	**1,193,274**	**1,291,967**	**929,613**	**848,431**
Octane92	215,754	405,061	437,388	295,698	261,846
Octane 95	23,491	23,182	15,384	9,405	10,183
Diesel	218,286	488,831	475,443	305,105	257,516
Super Diesel	10,809	27,096	13,877	8,818	8,829
HF 800cc	–	–	3	1	–
HF 1500cc	16,807	62,345	42,583	35,525	33,772
HF 3500cc/Super Oil	19,982	6,662	26,984	–	–
LSHF	12,387	28,756	57,143	23,453	19,320
Naptha	15,216	6,468	36,365	30,417	32,441
Kerosene	17,928	19,561	27,560	36,545	33,033
JET- A-1	30,721	82,127	121,335	119,919	116,709
Other Products	12,452	4,360	9,538	58,554	67,079
Other Income	19,900	38,825	28,364	6,173	7,703
Total Expenditure	**695,549**	**1,810,862**	**1,171,621**	**895,426**	**811,970**
Cost of Sales	588,823	1,108,952	1,101,488	847,733	766,132
Sales and Distribution	29,108	39,495	51,378	42,638	37,845
Administration	6,991	5,106	29,006	15,265	10,795
Finance Cost	25,645	119,537	7,454	1,175	23
Depreciation	2,684	2,647	2,635	2,435	2,022
Other Cost (Excise Duty & NBT)	9,079	5,648	–	–	–
Exchange Rate Variation	33,220	529,477	-20,340	-13,820	-4,847
Profit/(Loss) Before Tax	**-81,816**	**-617,588**	**120,346**	**34,188**	**36,461**
Outstanding debts to Banks	**693,040**	**87,749**	**59,020**	**–**	**–**

Source : Ceylon Petroleum Corporation
[a] Provisional

Figure 8.3 | Composition of Product Portfolio (CPC)



Source: Ceylon Petroleum Corporation

8.3 State Banks

The banking sector continued its recovery and strengthening momentum in 2025, operating within a gradually stabilizing macroeconomic environment. Most banks maintained sound stability, supported by strong capital adequacy ratios and improved liquidity ratios above the regulatory requirements. Sector profitability remained robust, although growth moderated compared to the exceptional performance recorded in 2024. This performance underscores the sector's resilience and its pivotal role in supporting national economy. Despite external challenges, including the impact of Cyclone Ditwah during the latter part of the year, banks effectively implemented proactive business continuity measures and prudent risk management practices to mitigate financial disruptions and sustain strong performance.

Credit risk indicators showed further improvement, with the decline in stage III loan ratio to 9.7 percent at the end of 2025 from 12.3 percent at the end of 2024. This improvement was mainly supported by expansion of credit, together with the strengthened recovery mechanisms.

In 2025, state-owned banks in Sri Lanka, particularly the Bank of Ceylon (BoC), People's Bank (PB), and the National Savings Bank (NSB), continued to play a significant role in the banking sector. These institutions remained aligned with the Government's economic priorities, while delivering a wide range of financial services to the customers. Their contribution was instrumental in supporting economic recovery, facilitating credit flows, and promoting financial inclusion across the country. Concurrently, these banks continued to focus on addressing legacy non-performing loans and accelerating digital transformation initiatives to enhance service delivery and operational efficiency.

During 2025, the performance of major state-owned banks reflected a combination of improved asset quality, stable funding bases, and prudent cost management, although variations were observed across institutions depending on their respective business models, sectorial exposures, and pace of recovery in key lending segments. Overall, the sector demonstrated a gradual normalization of earnings following the high growth recorded in the previous year, while maintaining adequate buffers to withstand potential risks.

In 2025, the total profit before tax of the state banks increased by 41 percent to Rs. 236.3 billion, compared to Rs. 178.2 billion in 2024. This growth was mainly driven by a strong recovery in credit growth, lower impairment charges, and increased digital adoption. The total assets of the state banks increased by 10 percent to Rs. 11,490 billion at the end of 2025, supported by a resumption of credit growth driven by an accommodative monetary policy and stabilizing domestic economic conditions.

In view of the challenges relating to minimum capital requirements and operational constraints faced by both the Housing Development Finance Corporation (HDFC) Bank and the State Mortgage and Investment Bank (SMIB), the Cabinet of Ministers granted approval for strategic restructuring measures. Accordingly, approval was granted for BoC to acquire the Government's shareholding in HDFC Bank and for PB to acquire the entire shareholding of SMIB, thereby enabling HDFC Bank and SMIB to function as subsidiaries under the management and oversight of BoC and PB, respectively. These initiatives are currently in progress.

A key milestone achieved during 2025 was the progress in the appointment of independent directors to the Boards of state-owned banks. As part of the ongoing governance reforms, a structured and transparent selection process was implemented, ensuring that board appointments were based on merit, professional competence, and independence.

Table 8.7 | Financial Position and Performance of the Major State Banks

	Banking Sector	Bank of Ceylon		People's Bank		National Savings Bank	
		Value	Share (%)	Value	Share (%)	Value	Share (%)
Assets (LKR Bn.)	24,922	5,468	22	3,708	15	1,831	7
Deposits (LKR Bn.)	19,927	4,389	22	3,230	16	1,608	8
Profit before Tax (LKR Bn.)	583	121	21	64	11	44	8
Profit after Tax (LKR Bn.)	369	76	21	40	11	27	7
Tier 1 Capital Adequacy Ratio (%)	–	12.4	–	12.2	–	24.9	-
Total Capital Adequacy Ratio (%)	–	17.0	–	16.5	–	26.8	-
ROA before tax (%)	–	2.3	–	1.8	–	2.5	-
Interest Margin (%)	–	3.96	–	4.1	–	4.7	-

Sources: State Banks and Central Bank of Sri Lanka

8.3.1 Bank of Ceylon

The BoC has made history by becoming the first and only Sri Lankan bank ranked among the World's Top 1,000 Banking Brands in 2026 by Brand Finance. In 2025, BoC continued to maintain its position as the bank with the largest asset base as well as the largest deposit base in the banking sector. As at end of 2025, the total assets of the bank increased by 10 percent to Rs. 5,468 billion, which is below the industry average growth rate of 12.5 percent. Meanwhile, the deposit base of the bank increased by 4.3 percent Rs. 4,389 billion at the end of 2025, compared to the industry average growth rate of 10.9 percent.

Net interest income of the Bank increased by 23.5 percent to Rs. 206.9 billion, driven by effective asset-liability management, improved interest margins, and optimized funding strategies. Accordingly, BoC's profit before tax increased by 13 percent to Rs. 120.8 billion in 2025, compared to Rs. 106.9 billion in 2024.

The total loans and advances to customers increased by 8.9 percent to Rs. 2,372 billion at the end of 2025 from Rs. 2,178 billion at the end of 2024, despite the industry average increase was 21.4 percent.

The Stage III loan ratio improved to 5.59 percent as at the end of 2025 from 7.17 percent as at the end of 2024, highlighting the expansion of credit together with the Bank's disciplined credit monitoring, and strengthened collection efforts, while the industry average was 9.7 percent.

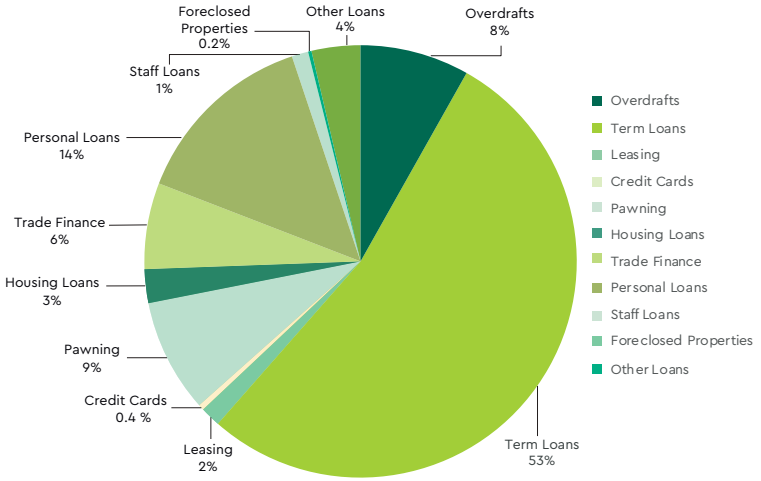
BoC network consists of 584 branches and 1,506 Automated Teller Machines (ATMs), Cash Recycling Machines (CRMs) and Cash Deposit Machines (CDMs) across the island, supporting financial inclusion in the country. Meanwhile, BoC has been focusing more on expanding the digital and virtual service platforms to cater the emerging needs of the customers.

Fitch Ratings has declared the National Long-Term Rating at 'AA-(lka)' and the Long Term Foreign and Local Currency Issuer Default Ratings at 'CCC+' for BoC. The Bank was recognized as Sri Lanka's No. 1 Brand and Most Valuable Brand by Brand Finance Lanka.

The Bank further strengthened its sustainable finance agenda through the issuance of a Rs. 20 billion Basel III–compliant Tier II Sustainability Bond. The proceeds from this issuance are being utilized to support green finance initiatives, promote small and medium enterprise development, and advance inclusive community investments.

Digital transformation remained a key strategic priority during the period under review. In this context, the Bank established BoC IT Solutions (Pvt) Ltd as a subsidiary to enhance operational resilience and strengthen its competitive position. These efforts contribute to improved operational efficiency and enhanced customer experience across all banking channels.

Figure 8.4 | Loans and Advances to the Customers -By product (BoC)



Source: Bank of Ceylon

Table 8.8 | Financial Outturn of Bank of Ceylon

Rs. Million

	2021	2022	2023	2024	2025
Total Income	**290,362**	**513,149**	**542,187**	**485,405**	**548,623**
Interest Income	260,513	456,267	524,798	461,114	496,159
Interest Expense	149,261	329,921	433,610	293,561	289,222
Net Interest Income	**111,252**	**126,346**	**91,188**	**167,552**	**206,936**
Other Income	29,848	57,686	33,002	55,700	52,464
Total Operating Expenses	**97,911**	**153,055**	**83,848**	**116,348**	**138,574**
Personnel Expenses	24,982	28,991	29,818	40,287	45,689
Other Expenses	72,929	124,064	54,030	76,061	92,885
Profit/ (Loss) Before Tax	**43,190**	**30,977**	**40,342**	**106,904**	**120,827**
Key Performance Indicators					
Investments	1,125,018	1,601,082	1,752,179	2,357,161	2,663,688
Deposits	2,866,894	3,334,774	3,882,232	4,208,603	4,388,586
Loans and advances	2,413,762	2,325,594	2,209,062	2,177,708	2,371,752
Non-Performing Advances (Gross)	251,158	324,630	311,863	372,818	352,180
ROA (%)	1.3	0.76	0.92	2.30	2.31
ROE (%)	21.0	14.06	10.55	23.20	22.74
NPL Ratio (%)	4.4	-	-	-	-
Impaired (Stage III) Loan ratio (%)	5.08	5.27	5.07	7.17	5.59

Source: Bank of Ceylon

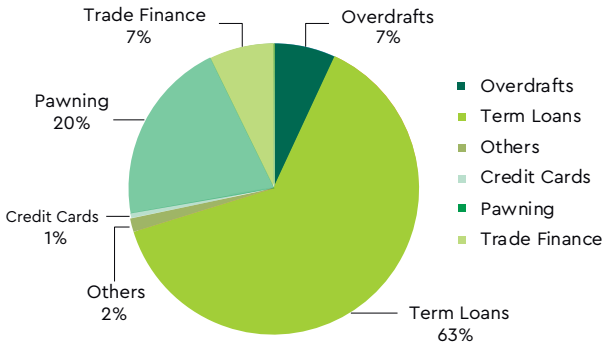
8.3.2 People's Bank

Being the second-largest licensed commercial bank in Sri Lanka in terms of both assets and deposits, PB recorded strong performance during 2025. The Bank's asset base grew by 12.5 percent to Rs. 3,708 billion as at end 2025, in line with the industry growth rate of 12.5 percent. As at the end 2025, the deposit base increased by 13.1 percent to Rs. 3,230 billion, exceeding the industry average growth rate of 10.9 percent, while lending to customers expanded by 13.7 percent to Rs. 1,730.7 billion, compared to the industry average growth of 21.4 percent.

Net interest income increased by 32.8 percent to Rs. 142.4 billion in 2025, primarily driven by an 11.5 percent reduction in interest expenses, despite a 2.1 percent increase in interest income. Accordingly, the Bank reported a profit before tax of Rs. 64.4 billion in 2025. This performance was supported by strong income growth, enhanced digital banking capabilities, and robust asset quality. The Bank demonstrated sustained resilience, despite prevailing environmental and external challenges during the year.

The Bank's Stage III loan ratio stood at 7.7 percent as at end 2025, compared to the industry average of 9.7 percent, reflecting improved asset quality. The Tier 1 Capital Adequacy Ratio was recorded at 12.2 percent, remaining comfortably above the regulatory minimum requirement of 9.5 percent. The Bank's distribution network comprised 746 branches (including service centers) and 844 ATMs island wide at the end of 2025.

Figure 8.5| Loans and Advances to the Customers - By product (PB)



Source: People's Bank

Table 8.9 | Financial Outturn of People's Bank

Rs. Million

	2021	2022	2023	2024	2025
Total Income	**207,250**	**357,229**	**422,242**	**367,978**	**382,009**
Interest Income	197,330	321,936	394,795	349,292	356,669
Interest Expense	114,869	246,178	340,473	242,050	214,292
Net Interest Income	**82,461**	**75,758**	**54,321**	**107,242**	**142,378**
Other Income	11,265	35,293	27,447	18,686	25,340
Total Operating Expenses	**63,339**	**89,712**	**65,459**	**84,344**	**103,309**
Personnel Expenses	22,772	26,603	24,494	35,835	38,231
Other Expenses	40,567	63,109	40,965	48,509	65,078
Profit/ (Loss) Before Tax	**30,387**	**21,338**	**15,345**	**41,584**	**64,409**
Key Performance Indicators					
Investments	603,472	934,978	990,395	1,467,917	1,554,261
Deposits	2,071,533	2,371,519	2,653,106	2,854,704	3,229,886
Loans and advances	1,835,697	1,783,107	1,709,458	1,521,965	1,730,671
Non-Performing Advances	59,995	79,335	81,091	79,028	294,051
ROA (before tax) (%)	1.2	0.8	0.5	1.3	2
ROE (after tax) (%)	19.9	12.2	6.6	14.7	20.1
NPL Ratio (%)	3.2	–	–	–	-
Impaired (Stage III) Loan ratio (%)	4.0	12.8	9.0	10.3	7.7

Source: People's Bank

8.3.3 National Savings Bank

The NSB operates with a strong branch network of 263 branches and 4,002 post offices/sub post offices across the island. At the end of 2025, the NSB's asset base reached to Rs. 1,831 billion, 4.5 percent increase compared to the previous year. Moreover, the deposit base and the lending portfolio reported as Rs. 1,608.5 billion and Rs. 550.8 billion, respectively at the end of 2025, recording an increase of 3.4 percent and 3.5 percent, respectively, compared to 2024.

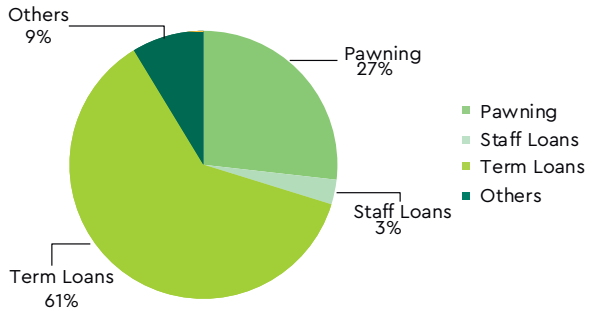
In 2025, NSB recorded a profit before tax of Rs. 44.5 billion, an increase of 69 percent compared to Rs. 26.3 billion in 2024. This growth was supported by sustained momentum in net interest income, disciplined cost management, and a significant reduction of 86 percent in impairment charges.

Term loans contributed to 61 percent of the NSB's loan portfolio, whilst pawning loans are the second largest contributor at the end of 2025.

During the year, the core banking system was successfully implemented with the objective of digitalizing banking operations through advanced technology and enhancing the convenience, efficiency, and accessibility of customer services.

In addition, the Bank undertook all necessary procedural steps to facilitate the merger of its fully owned subsidiary, Sri Lanka Savings Bank, with the objective of strengthening the stability of the financial system and improving operational efficiency. The merger process is currently at its final stage.

Figure 8.6| Loans and Advances to the Customers - By product (NSB)



Source: National Savings Bank

Table 8.10 | Financial Outturn of National Savings Bank

Rs. Million

	2021	2022	2023	2024	2025
Total Income	**134,939**	**174,638**	**232,064**	**207,637**	**202,761**
Interest Income	131,438	173,021	226,967	203,748	197,777
Interest Expense	76,809	140,477	197,402	131,165	112,928
Net Interest Income	**54,630**	**32,544**	**29,565**	**72,583**	**84,849**
Other Income	3,293	2,614	5,097	3,889	4,984
Total Operating Expenses	**29,368**	**30,649**	**30,376**	**50,203**	**45,340**
Personnel Expenses	12,867	13,791	16,110	20,306	19,892
Other Expenses	16,501	16,858	14,266	29,897	25,448
Profit Before Tax	**28,555**	**4,510**	**4,287**	**26,268**	**44,493**
Key Performance Indicators					
Number of Branches	261	262	262	262	263
Number of Post Offices/Sub Post Offices	4,064	4,064	4,064	4,006	4,002
Investments	980,672	978,772	1,030,689	1,120,903	1,187,095
Deposits	1,428,467	1,476,740	1,482,532	1,556,271	1,608,490
Loans and advances	538,942	578,648	526,521	532,379	550,828
Non-Performing Advances	16,282	22,985	25,177	52,330	33,574
ROA (%)	1.93	0.28	0.26	1.54	2.48
ROE (%)	33.92	3.40	9.36	18.07	25.08
NPL Ratio (%)	2.97	–	–	–	-
Impaired (Stage III) Loan ratio (%)	2.54	2.83	2.41	5.18	2.53

Source: National Savings Bank

8.3.4 Housing Development and Finance Corporation Bank

The HDFC Bank, primarily engaged in providing credit facilities for housing purposes, is the only state-owned bank listed on the Colombo Stock Exchange. HDFC Bank operates with a branch network of 39 branches.

HDFC Bank's profit before tax recorded a significant decline of 85 percent to Rs. 10 million in 2025. This substantial decrease in net profit primarily stemmed from the decline of other income by 10.7 percent to Rs. 301 million in 2025, compared to Rs. 337 million in 2024. This resulted in a return on equity of negative 1.22 percent in 2025, compared to negative 2.43 percent in 2024. Though the net assets per share of the bank decreased to Rs. 116.71, the share price at the end of December 2025 stood at Rs. 57.90.

The lending portfolio of the HDFC Bank dropped by 14 percent to Rs. 34.5 billion at the end of 2025, compared to the 21.4 percent growth in the industry. However, the stage III loan ratio of the Bank increased from 45.92 percent at the end of 2024 to 47.04 percent at the end of 2025. The deposit base of the bank also decreased by 2.8 percent to Rs. 50.6 billion at the end of 2025, compared to Rs. 52 billion at the end of 2024, whilst the average growth in the banking sector stood at 10.9 percent.

Table 8.11 | Financial Outturn of Housing Development and Finance Corporation Bank

Rs. Million

	2021	2022	2023	2024	2025
Total Income	**7,004**	**8,877**	**14,329**	**8,507**	**7,730**
Interest Income	6,612	8,425	11,195	8,170	7,429
Interest Expense	3,556	5,679	8,884	5,388	4,606
Net Interest Income	**3,056**	**2,746**	**2,311**	**2,782**	**2,823**
Other Income	392	452	3,134	337	301
Total Expenses	**2,570**	**2,895**	**3,411**	**3,054**	**3,114**
Personnel Expenses	1,387	1,544	1,584	1,646	1,599
Other Expenses	1,183	1,351	1,827	1,408	1,515
Profit/ (Loss) Before Tax	**878**	**303**	**2,034**	**64**	**10**
Key Performance Indicators					
Investments	18,709	17,181	23,978	22,437	23,481
Deposits	49,813	50,245	53,613	52,005	50,569
Loans and advances	41,837	42,630	41,010	40,130	34,510
Non-Performing Advances	13,190	16,187	18,948	21,029	18,779
ROA (%)	1.93	0.97	3.11	0.10	0.01
ROE (%)	9.02	4.99	17.70	-2.43	-1.22
Stage III Loan Ratio including EPF (%)	32.44	–	–	–	–
Impaired Loan Ratio (Stage III) (%)	–	37.97	40.47	45.92	47.04

Source: Housing Development and Finance Corporation Bank

8.3.5 State Mortgage and Investment Bank

The SMIB, a licensed specialized bank, engages in providing mortgage loans for housing and housing-related purposes since 1931. SMIB operates with a branch network of 25 branches.

In 2025, SMIB recorded one of its strongest financial and operational performances, supported by favorable macroeconomic conditions and the successful execution of structural reforms. The bank's deposit base increased marginally to Rs. 48.9 billion at the end of 2025, from Rs. 48.2 billion at the end of 2024.

SMIB recorded a profit before tax of Rs. 737 million in 2025, a significant increase of 367 percent compared to Rs. 158 million in 2024.This was mainly due to the increase in net interest income by 47 percent to Rs. 3,233 million in 2025 from Rs. 2,198 million in 2024 supported by competitive loan pricing and optimized funding costs.

The total assets of the bank increased by 3 percent to Rs. 57 billion at the end of 2025. The Bank's loan portfolio stood at Rs. 44.8 billion at the end of 2025, recording a moderate growth of 7 percent compared to Rs. 41.7 billion at the end of 2024, which is below the industry growth of 21.4 percent.

The Bank strengthened its focus on sustainable growth, digital innovation, customer centricity and operational efficiency. Market diversification, strategic partnerships, and responsible finance will remain key pillars supporting future growth.

Table 8.12 | Financial Outturn of State Mortgage and Investment Bank

Rs. Million

	2021	2022	2023	2024	2025
Total Income	**5,425**	**7,517**	**9,600**	**8,173**	**7,695**
Interest Income	5,253	7,402	9,324	7,591	7,121
Interest Expense	2,951	5,463	8,733	5,392	3,888
Net Interest Income	**2,302**	**1,939**	**592**	**2,198**	**3,233**
Other Income	172	115	276	582	574
Total Expenses	**2,069**	**2,143**	**2,032**	**2,622**	**3,070**
Personnel Expenses	1,084	1,090	1,015	1,229	1,424
Other Expenses	985	1,053	1,017	1,393	1,646
Profit/ (Loss) Before Tax	**405**	**-89**	**-1,165**	**158**	**737**
Key Performance Indicators					
Investments	13,792	15,577	15,721	11,927	9,997
Deposits	45,738	49,140	52,137	48,161	48,857
Loans and advances	38,102	39,267	38,603	41,730	44,806
Non-Performing Advances	7,598	7,954	10,659	14,738	17,979
ROA (%)	0.76	-0.16	-2.15	0.28	1.30
ROE (%)	4.11	-3	-20.25	0.59	6.44
Stage III Loan Ratio including EPF (%)	19.84	–	–	–	–
Impaired Loan Ratio (Stage III) (%)	–	20.26	26.00	33.00	37.00

Source: State Mortgage and Investment Bank

8.3.6 Pradeshiya Sanwardana Bank

Pradeshiya Sanwardana Bank (PSB) operates with the objective of enhancing the living standards of the rural population by offering accessible and affordable credit facilities through its extensive branch network of 272.

The PSB's profit before tax increased significantly by 82 percent to Rs. 5,830 million in 2025, compared to Rs. 3,210 million in 2024. This growth was primarily driven by the increase in interest income together with the decline in the Bank's interest expenses.

Loans and advances of the bank recorded a significant increase to Rs. 283.6 billion at the end of 2025, compared to Rs. 227.2 billion at the end of 2024. Deposits of the PSB increased by 11.8 percent to Rs. 283.7 billion at the end of 2025, compared to Rs. 253.7 billion at the end of 2024.

While the industry average stage III loan ratio decreased to 9.7 percent at the end of 2025, the Bank's stage III loan ratio improved significantly from 6.25 percent in 2024 to 4.06 percent in 2025.

Building on this momentum, PSB remains committed to its founding mandate of empowering those who are at the bottom of entrepreneur ladder, supporting SMEs, and strengthening livelihoods in agriculture, fisheries, and micro enterprises. The Bank has formulated its Strategic Plan (2025–2029) with the objective of expanding its lending portfolio by Rs. 40 – 60 billion within five years, in line with the Government's rural economic development agenda.

Table 8.13 | Financial Outturn of Pradeshiya Sanwardana Bank

Rs. Million

	2021	2022	2023	2024	2025
Total Income	**24,497**	**36,203**	**47,586**	**39,552**	**42,814**
Interest Income	23,555	35,273	46,232	37,922	40,439
Interest Expense	9,806	19,640	29,290	18,368	16,213
Net Interest Income	**13,749**	**15,634**	**16,942**	**19,554**	**24,226**
Other Income	942	929	1,589	2,866	2,375
Total Expenses	**13,915**	**16,204**	**17,349**	**19,211**	**20,771**
Personnel Expenses	7,325	8,740	9,551	11,945	12,406
Other Expenses	6,590	7,465	8,498	7,266	8,365
Profit/ (Loss) Before Tax	**776**	**359**	**1,183**	**3,210**	**5,830**
Key Performance Indicators					
Investments	60,630	71,213	86,967	68,148	49,246
Deposits	184,392	210,301	226,080	253,664	283,716
Loans and advances	187,438	198,008	194,425	227,168	283,614
Non-Performing Advances	16,322	14,057	29,426	26,338	23,589
ROA (%)	0.27	0.71	0.4	1.03	1.7
ROE (%)	2.07	5.07	5.07	5.83	11.77
Stage III Loan Ratio (%)	8.71	7.1	8.8	6.25	4.06

Source: Pradeshiya Sanwardana Bank

8.3.7 Employees' Trust Fund Board

The Employees' Trust Fund Board (ETFB) is the second largest superannuation fund in Sri Lanka. All private sector employees and semi-government sector employees are members of this fund, while their employers are required to remit 3 percent of the total monthly earnings of their employees to the fund. In addition, migrant workers and self-employed individuals may join the fund on voluntarily basis by making a specified minimum contribution. The number of migrant workers registered with the ETFB increased marginally by 36 in 2025, bringing the cumulative number to 327. In contrast, total departures for foreign employment during the year 2025 stood at 311,223, as reported by the Sri Lanka Bureau of Foreign Employment. This disparity indicates a notably low level of participation to the Fund among migrant workers, which underscores the necessity of strengthening awareness and outreach initiatives targeting migrant workers and self-employed individuals to promote voluntary enrolment.

Beyond its primary role of fund management, ETFB provides a range of social and welfare benefits to its members covering health care support, housing assistance and financial aid for the education of members' children during their period of employment.

The fund continued its steady growth, with total assets increasing to Rs. 673 billion at the end of 2025, compared to Rs. 591 billion at the end of 2024. The ETFB maintained a strong focus on ensuring both safety of the fund and a reasonable rate of return for its members. During the year, the Board recorded an increase in total revenue by 8 percent to Rs. 71.3 billion, largely driven by interest income and declared a return of 9.5 percent to its members. Accordingly, Rs. 17.5 billion was distributed as interest on member fund balances, while Rs. 37.8 billion was paid as dividends, reflecting an overall increase of 8 percent compared to 2024.

The total net worth of the Fund reached Rs. 667 billion by the end of 2025, recording a growth of 14 percent from Rs. 586 billion at the end of 2024. By this time, the number of contributing member accounts had reached 2.5 million. Employers' contributions increased by 14 percent to Rs. 48.1 billion in 2025, compared to Rs. 42 billion in 2024. Meanwhile, total refunds paid to members amounted to Rs. 30.3 billion, indicating a decrease of 9 percent from Rs. 33.4 billion in 2024.

The fund's investment portfolio grew to Rs. 663 billion at the end of 2025, reflecting a 14 percent increase compared to Rs. 581 billion at the end of 2024. ETFB adopted a prudent investment strategy by prioritizing long-term investments in

government securities to mitigate reinvestment risk in a declining interest rate environment. Investments in Treasury Bonds increased by 15 percent to Rs. 628 billion at the end of 2025, up from Rs. 547 billion at the end of 2024, which accounted for 95 percent of the total investment portfolio.

Table 8.14 | Financial Outturn of Employees' Trust Fund Board

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Income	**35,490**	**46,122**	**67,793**	**65,988**	**71,278**
Investment Income(net)	35,202	45,677	67,119	65,354	70,654
Other Income	288	445	674	634	624
Total Expenditure	**2,330**	**2,694**	**2,834**	**2,811**	**2,767**
Operating Expenses	1,836	2,120	2,129	2,220	2,211
Member Expenses	494	575	705	591	556
Profit/ (Loss) Before Tax	**33,159**	**43,428**	**64,959**	**63,177**	**68,510**
Profit for Distribution	28,569	36,978	55,942	54,499	58,899
Interest on Member Fund 3%	11,553	12,679	13,758	15,391	17,464
Dividend	9,627	24,302	32,103	35,911	37,839
Total Rate of Interest & Dividend (%)	7.25	8.75	10.00	10.00	9.5

Source: Employees' Trust Fund Board

[a] Provisional

8.4 Water

8.4.1 National Water Supply and Drainage Board

The National Water Supply and Drainage Board (NWS&DB) continues to uphold its commitment to achieving Sustainable Development Goal 6, ensuring the availability and sustainable management of water and sanitation for all, in alignment with national policy priorities. Accordingly, NWS&DB improved its service coverage through piped water to 51.2 percent of the population in 2025, compared to 49.2 percent in 2024. Meantime, the total piped water coverage, including the piped water supply by the community-based organizations and the local authorities, at the end of 2025 stood at 62.5 percent. However, safe drinking water coverage declined to 93.9 percent in the year under review, compared to 98.8 percent in 2024, mainly due to the revision of data on dug wells, hand pumps and other point sources published by the Department of Census and Statistics in 2025. The total number of water supply connections provided by the Board increased to 3.2 million at the end of 2025, compared to 3.1 million at the end of 2024, along with the completion of 03 water projects. Meanwhile, piped sewerage coverage showed a slight improvement from 2.08 percent to 2.11 percent at the end of 2025 and the Non-Revenue Water (NRW) percentage declined to 24.35 percent, compared to 24.8 percent at the end of 2024.

Following the water tariff revisions implemented during 2022–2024, NWS&DB continued to record an improvement in financial performance, in terms of total revenue and net profit for the third consecutive year. However, water sales income decreased marginally to Rs. 77.4 billion in 2025, despite a 3 percent growth in water sales to 647 million cubic meters. This reduction in water sales income is primarily attributed to the average reduction in water tariffs with effect from August, 2024.

In line with the increase in water sales quantity, water production also increased by 2.8 percent to 855 million cubic meters. However, the cost of production declined significantly by 12.6 percent to Rs. 32.5 billion in 2025, primarily due to a substantial reduction in pumping costs by 37.2 percent to Rs. 7.2 billion associated with the reduction in electricity tariffs during the period. As a result, NWS&DB recorded a gross profit of Rs. 52 billion, and a net profit before tax of Rs. 31.6 billion in 2025, compared to Rs. 46.8 billion and Rs. 23.8 billion, respectively in 2024.

During the period under review, the General Treasury contributed equity amounting to Rs. 45.6 billion for the repayment of loans obtained from local and foreign and to settle outstanding liabilities of major ongoing projects, including the Thambuttegama Water Supply Project; the Gampaha, Attanagalla and Minuwangoda Integrated Water Supply Project; the Aluthgama, Mathugama and Agalawatta Water Supply Project; and the Polgahawela, Alawwa and Pothuhara Water Supply Project.

Table 8.15 | Financial Outturn of National Water Supply and Drainage Board

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**28,935**	**35,464**	**61,852**	**84,027**	**84,519**
Water	25,735	33,122	57,657	77,539	77,400
Water Related Income	3,200	2,342	4,195	6,488	7,119
Cost of Sales	19,163	23,145	36,634	37,226	32,553
Gross Profit	**9,772**	**12,319**	**25,218**	**46,801**	**51,966**
Other Income	1,796	1,289	4,284	1,994	1,808
Administrative Expenses	13,715	14,052	11,102	13,089	13,321
Other Operating Expenses	998	347	1,338	1,768	1,417
Operating Profit/ (Loss)	**-3,145**	**-791**	**17,062**	**33,938**	**39,036**
Finance Income	843	2,007	3,121	2,273	3,058
Finance Cost	752	3,917	14,948	12,379	10,490
Net Profit/ (Loss)	**-3,054**	**-2,701**	**5,235**	**23,833**	**31,604**
Key Performance Indicators					
Connections (Nos. Million)	2.8	2.9	3.0	3.1	3.2
Water Production (m^3 Million)	815	818	803	832	855
Water Sales (m^3 Million)	605	614	600	625.8	647
Non-Revenue Water (Percent)	25.82	25.24	25.20	24.80	24.35
Water Supply Projects (Nos.)					
Safe Drinking Water Supply Coverage (Percent)	94.4	96	97.3	98.8	93.9

Source: National Water Supply & Drainage Board
[a] Provisional

8.5 Ports

8.5.1 Sri Lanka Ports Authority

Sri Lanka Ports Authority (SLPA) continued to play a pivotal role in advancing Sri Lanka's maritime and trade connectivity in 2025, operating as a key driver of economic recovery and external sector resilience. Amid evolving global shipping dynamics, SLPA maintained operational continuity, strengthened port efficiency, and supported national logistics competitiveness. Through prudent management and ongoing modernization initiatives, the Authority reinforced its strategic position as a regional maritime hub while contributing to government revenue and broader macroeconomic stability.

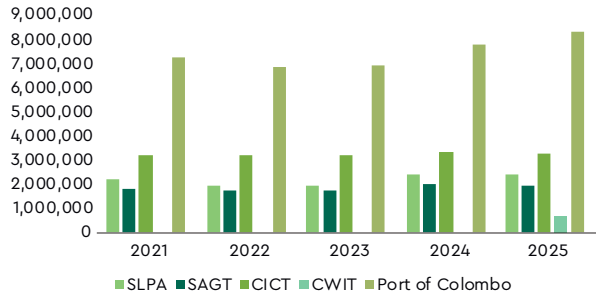
Economic growth across Asia, particularly in India presents significant opportunities for the future. As the premier hub port in South Asia, the Port of Colombo (PoC), Sri Lanka's main port, is strategically positioned to capitalize on this growth by complementing the expansion of the subcontinent's port sector. Alongside the development of the PoC, SLPA is actively advancing and positioning with other regional ports to meet the future demands.

The SLPA reported a 4.2 percent increase in ship arrivals in 2025, reaching 5,127 vessels compared to 4,920 ship arrivals in 2024. However, its performance declined in container and cargo handling, with container volumes falling by 1.2 percent to 2.38 million TEUs in 2025 from 2.41 million TEUs in 2024, and cargo volume dropping by 7.4 percent to 43.1 million metric tons in 2025, compared to 46.5 million metric tons in 2024.

The SLPA's financial performance in 2025 showed strong growth and improved profitability compared to 2024. Total revenue increased by 12.5 percent to Rs. 110.3 billion in 2025 from Rs. 98 billion in 2024, driving an 18 percent increase in gross profit.

Although total expenditure increased by 6.7 percent to Rs. 55.4 billion, mainly due to the sharp rise in provision for claims, profitability still improved significantly in 2025. Profit before tax increased by 24 percent to Rs. 57.3 billion in 2025 from Rs. 46.3 billion in 2024.

Figure 8.7 | Total Handled TEUs by Colombo Port
(Number of TEUs)



Source: Sri Lanka Ports Authority

Table 8.16 | Financial Outturn of Sri Lanka Ports Authority

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Revenue	**57,765**	**90,954**	**84,200**	**98,029**	**110,262**
Navigation	10,793	18,395	21,146	20,477	22,079
Stevedoring	20,441	28,901	27,400	33,901	35,973
Wharf Handling	6,260	8,014	8,000	9,098	10,098
Port Facilities	6,176	9,250	4,445	7,951	9,906
Other	1,785	3,848	2,849	3,558	3,470
Other Income	12,310	22,546	20,360	23,044	28,736
Total Expenditure	**32,899**	**43,744**	**47,292**	**51,932**	**55,375**
Operational Expenses	16,812	22,338	25,000	26,769	26,943
Repair and Maintenance Expenses	7,048	8,382	9,088	9,719	9,789
Administrative Expenses	9,039	13,024	13,204	15,444	18,643
Earnings before Interest and Tax	**24,866**	**47,210**	**36,908**	**46,097**	**54,887**
Exchange Gain/(Loss)	–	288	-579	-418	242
Net Finance Income	2,005	5,626	5,334	1,359	1,884
Foreign Exchange Gain/(Loss)	-1,270	3,903	-1,305	-690	265
Profit/(Loss) Before Levy paid to Treasury	**25,601**	**57,027**	**40,358**	**46,348**	**57,278**
Contribution to the Consolidated Fund	–	-1,000	-8,674	-607	-5,000
Profit/(Loss) after Levy paid to Treasury	**25,601**	**56,027**	**31,685**	**45,741**	**52,278**
Income tax	-2,676	-13,261	-5,565	-7,097	-14,321
Differed tax	-2,230	-445	-6,181	-721	49
Profit / (Loss) for the year	**20,695**	**42,321**	**19,940**	**37,923**	**38,006**
Outstanding debts to Banks	7,355	6,411	2,798	2,469	-
Outstanding debts to Government/Foreign Loan	52,896	87,811	71,101	58,124	55,282
Interest on Loans	800	2,400	4,218	3,546	2,870
Key Performance Indicators					
TEUs Handling by Port of Colombo (Nos. Mn)	7.25	6.82	6.94	7.79	8.30
Ship Arrivals (Nos.)	4,603	4,537	5,155	4,920	5,127
Colombo (Nos.)	4,411	4,366	4,926	4,691	4,926
Galle (Nos.)	54	41	70	53	60
Trincomalee (Nos.)	138	130	159	176	141

Source: Sri Lanka Ports Authority
[a] Provisional

Table 8.17 | Total Handled TEUs by Colombo Port

	SLPA	SAGT	CICT	Port of Colombo (POC)
Total Handled TEU 2025	2,383,139	1,948,935	3,251,910	8,301,210
Total Handled TEU 2024	2,413,162	2,025,840	3,353,067	7,792,069
% Change	**-1.2**	**-3.8**	**-3.2**	**6.5**

Source: Sri Lanka Ports Authority

8.6 Insurance

The insurance sector remains a key component of Sri Lanka's financial system, particularly in an environment marked by past economic uncertainty and the increasing frequency of natural disasters. The industry comprises fifteen (15) licensed insurers in the long-term insurance sector and fourteen (14) licensed insurers in the general insurance sector. Government participation is evident through Sri Lanka Insurance Corporation General Ltd (SLICGL), Sri Lanka Insurance Corporation Life Ltd (SLICLL), and the National Insurance Trust Fund (NITF). In addition, other state-owned enterprises, namely, the Agricultural and Agrarian Insurance Board (AAIB) and the Sri Lanka Export Credit Insurance Corporation (SLECIC) provide specialized insurance services, including crop insurance and export credit insurance.

As at end 2025, total assets base of the insurance sector increased by 17 percent to Rs. 1,432.2 billion, compared to Rs. 1,223 billion at the end of 2024. Gross written premium increased by 19 percent in 2025, when compared to year 2024. This growth appeared in both life and general insurance subsectors. However, profit before tax of the general and long-term insurance subsectors decreased by 9.9 percent and 0.6 percent, respectively in 2025, compared to the previous year.

In 2025, general insurance sector experienced substantial claims due to the impact of Cyclone Ditwah, which is around Rs. 58.5 billion, as reported by the Insurance Regulatory Commission of Sri Lanka.

8.6.1 Sri Lanka Insurance Corporation Limited

The segregation of life and general insurance operations of the Sri Lanka Insurance Corporation (SLIC) by end January 2024 into its wholly owned subsidiaries, Sri Lanka Insurance Corporation Life Limited (SLICLL) and Sri Lanka Insurance Corporation General Limited (SLICGL), resulted in a transition of SLIC's role from a direct insurer to a holding company.

As at end 2025, SLICLL and SLICGL reported total assets of Rs. 273.9 billion and Rs. 64.0 billion, respectively. SLICLL continued to maintain the largest life fund in the insurance industry amounting to Rs. 247 billion at the end of 2025.

During 2025, SLICLL recorded revenue of Rs. 60.8 billion, compared to Rs. 49.7 billion in 2024. Gross Written Premium (GWP) also increased significantly to Rs. 32.6 billion from Rs. 24.5 billion in the previous year, reflecting strong growth in the life insurance segment.

SLICGL reported revenue of Rs. 24.3 billion in 2025, up from Rs. 20.2 billion in 2024. The GWP of the general insurance business increased to Rs. 30.3 billion from Rs. 23.6 billion in the previous year, indicating steady expansion in the non-life insurance segment.

In terms of profitability, SLICLL's profit after tax decreased by 11.5 percent to Rs. 2.3 billion in 2025, compared to Rs. 2.6 billion in 2024, primarily due to higher insurance claims and benefits. Meanwhile, SLICGL reported a profit after tax of Rs. 2.5 billion, compared to Rs. 2.7 billion in 2024.

At the holding company level, SLIC reported a profit before tax of Rs. 6 billion in 2025, compared to Rs. 3.1 billion in 2024, reflecting an overall improvement in financial performance. Dividend distributions of the company recorded as Rs. 1.5 billion in 2025, compared to Rs. 1.3 billion in the previous year.

Table 8.18 | Financial Outturn of Sri Lanka Insurance Corporation Ltd.

Rs. Million

	2021	2022	2023	2024		2025[a]	
				SLICLL	SLICGL	SLICLL	SLICGL
Revenue	**64,062**	**63,917**	**64,194**	**49,730**	**20,199**	**60,839**	**24,270**
Gross written premium	43,231	41,272	44,225	24,531	23,571	32,606	30,303
Net earned premium	38,397	37,024	36,862	23,569	16,561	31,301	19,951
Benefit, Losses & Expenses	-42,255	-34,292	-43,571	-39,852	-9,703	-50,025	-12,301
Investment income	23,392	13,794	28,444	25,770	3,988	28,791	3,914
Other Income	2,273	13,100	-1,112	390	-350	747	406
Other Operating & Administrative Expenses	-10,082	-6,131	-9,920	-5,501	-6,922	-6,520	-8,762
Profit/ (Loss) Before Tax	**11,725**	**23,494**	**10,704**	**4,377**	**3,573**	**4,294**	**3,207**
Net Profit for the year	**10,041**	**21,564**	**7,779**	**2,642**	**2,661**	**2,316**	**2,492**
Key Performance Indicators							
Claims ratio – General (%)	60	63	61	–	57	52	62
Capital Adequacy ratio – Life (%)	490	316	427	565	–	523	–
Capital Adequacy ratio – General (%)	240	244	225	–	277	–	269
Life Fund	152,585	156,719	183,784	213,228	–	246,997	–

Sources: Sri Lanka Insurance Corporation Ltd., SLICLL and SLICGL

[a] Provisional

8.6.2 National Insurance Trust Fund

National Insurance Trust Fund (NITF) engages in the insurance business by offering several products including, the Agrahara Insurance Scheme, Agricultural Loan Protection Insurance Scheme, Crop Insurance Scheme and General Insurance – (Motor and Non – Motor sector policies). Further, NITF acts as a re-insurer of 30 percent of the reinsurance liability of any general insurance company in the insurance industry and it maintains the Strike, Riot, Civil Commotion and Terrorism (SRCC&T) Fund.

NITF's revenue increased by around 24 percent to Rs. 42 billion in 2025, compared to Rs. 33.9 billion in 2024, mainly due to the increase in GWP by Rs. 3.5 billion to Rs. 26.6 billion in 2025. Despite the increase in GWP, NITF's profit before tax decreased by 43 percent to Rs. 9.4 billion in 2025, compared to Rs. 16.4 billion in 2024, mainly due to the increase in net benefits and claims by Rs. 13.2 billion.

Table 8.19 | Financial Outturn of National Insurance Trust Fund

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Revenue	**18,969**	**25,972**	**29,226**	**33,891**	**42,023**
Gross Written Premium	10,631	12,201	12,544	23,060	26,581
Contribution received for Agrahara	6,283	6,809	6,804	6,932	7,134
Crop insurance levy collected	2,194	2,573	3,115	3,807	5,416
Net earned premium income	17,379	20,884	21,893	28,257	36,221
Other income	1,590	5,088	7,333	5,633	5,802
Reinsurance premium ceded	-590	-684	7	-717	-68
Net Benefits & Claims	-10,761	-14,693	-11,911	-10,927	-24,097
Underwriting & acquisition cost	-1,864	-2,162	-1,902	-4,105	-6,916
Total Expenditure	**-408**	**-587**	**-2,085**	**-2,417**	**-1,618**
Staff Related Costs	225	245	269	315	398
Administration & Other Expenses	183	342	1,816	2,102	1,220
Income over Expenditure	**5,936**	**8,530**	**13,329**	**16,442**	**9,391**
Key Performance Indicators					
Agrahara Claims received (Nos.)	226,639	243,812	249,159	194,393	190,381
Agrahara Claims paid (Nos.)	212,646	173,820	221,706	164,732	172,812
Agrahara premium collected	6,283	6,809	6,804	6,988	7,134
Agrahara Claims paid	6,380	6,247	7,334	6,170	6,859

Source: National Insurance Trust Fund

[a] Provisional

8.7 Commuter Transportation

8.7.1 Sri Lanka Transport Board

The Sri Lanka Transport Board (SLTB), as the largest public passenger transport services provider in the country, continues to play a vital role in ensuring safe, affordable, and accessible mobility across the island. SLTB fulfills 40 to 50 percent of the daily passenger transport service demand of the country. In 2025, SLTB deployed nearly 4,424 buses daily, operating through an extensive network comprising over 100 depots, 09 sub-depots, 12 regional offices, 12 provincial workshops, and 21 driving training schools. With a workforce exceeding 24,000 employees, SLTB continues to uphold a strong operational capacity, particularly in rural and underserved areas where private sector participation is limited. This extensive reach highlights SLTB's strategic importance not only as a transport provider, but also as a key facilitator of economic and social connectivity.

SLTB is responsible for meeting around 40 percent of the total timetable requirement allocated by the National Transport Commission (NTC). However, existing fleet capacity remains a constraint in fully meeting the service demand, indicating a persistent gap between required service levels and available resources. In line with ongoing modernization efforts, SLTB continued to expand and upgrade its fleet during the year, including the introduction of new buses under government-supported initiatives and arrangements through newly established subsidiary, Metro Transit Lanka (Private) Limited (LMTL). The LMTL aims to streamline and modernize public mobility across key city corridors through an integrated transport solution. These interventions reflect a gradual shift from reactive fleet replacement toward a more structured modernization strategy, although the pace of renewal may still be insufficient to offset long-term asset deterioration.

In fulfilling its public service mandate, SLTB continued to operate essential transport services, namely Nisi Seriya and Sisu Seriya with the support of the government through subsidy programs. During 2025, SLTB deployed 471 buses for Nisi Seriya and 819 buses for Sisu Seriya program. These initiatives ensure night-time transport services and facilitate affordable and safe travel for school children.

The average number of buses operated per day by SLTB in 2025 decreased to 4,424 buses, compared to 4,556 buses in 2024. However, SLTB's operational performance recorded only a marginal decline in 2025, with total operated kilometers decreased to 362 million kilometers, compared to 372 million kilometers in 2024.

In terms of financial performance, SLTB's total revenue declined marginally to Rs. 73,783 million in 2025, compared to Rs. 75,710 million in 2024, mainly due to the cumulative impact of continuous bus fare reductions implemented during 2024 followed by the slight reduction in 2025.

Total expenses of SLTB also decreased to Rs. 70,521 million, compared to Rs. 75,614 million in 2024 primarily driven by an average fuel price reduction of around 10 percent. Despite the marginal decline in the revenue, due to decrease in total expenses and the increase in financial assistance from government, SLTB's net profit increased significantly in 2025 to Rs. 4,312 million, compared to Rs. 547 million in 2024, representing an increase of more than sevenfold. In 2025, SLTB paid Rs. 65 million as levy to the consolidated fund, compared to Rs. 330 million in 2024.

In line with SLTB's public service obligations, Government support continued in the form of subsidies to maintain concessionary travel and operate uneconomical routes. Accordingly, the General Treasury released Rs. 13,150 million and Rs. 2,000 million for season ticket subsidies and uneconomic routes, respectively, compared to Rs. 10,500 million and Rs. 2,000 million in 2024.

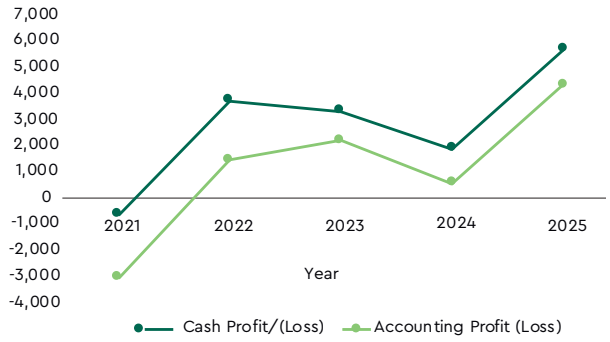
Despite ongoing improvements, SLTB continues to face structural challenges, particularly due to its aging fleet, with around 46 percent of buses exceeding 15 years of service by end 2025. This has led to higher maintenance requirements, increased downtime, and reduced service reliability. To address these issues, SLTB implemented several modernization initiatives during 2025, including the refurbishment of 120 buses with new engine installations at a total cost of Rs. 724 million. However, these measures have only partially mitigated the challenges, highlighting the need for a more accelerated

and sustained fleet renewal strategy to achieve further improvements in operational performance of the SLTB.

In addition, SLTB has continued its efforts toward digital transformation, including the gradual introduction of electronic ticketing systems, payment by all units of the SLTB under the Employees' Provident Fund online system and conduct all accounting activities at service locations through the online accounting system aimed at enhancing operational transparency and revenue management.

Figure 8.8 | Performance of Sri Lanka Transport Board

(Rs. Million)



Source: Sri Lanka Transport Board

Table 8.20 | Financial Outturn of Sri Lanka Transport Board

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Revenue	**26,817**	**70,379**	**77,241**	**75,710**	**73,783**
Operational Income	14,565	58,504	61,858	60,193	55,396
Other Income	12,252	11,875	15,383	15,517	18,387
Expenditure	**28,686**	**67,319**	**75,325**	**75,614**	**70,521**
Salary	16,174	21,154	21,776	25,286	27,116
Fuel	8,026	37,344	41,465	39,404	33,270
Other Running Cost	2,808	6,868	9,829	9,497	8,992
Overhead	1,475	1,750	2,133	1,388	1,136
Finance Cost	203	203	122	39	7
Profit/(Loss) Before Gov. Financial Assistance	**-1,869**	**3,060**	**1,916**	**96**	**3,262**
Gov. Financial Assistance	1,217	642	1,391	1,769	2,383
Cash Profit	**-652**	**3,702**	**3,307**	**1,865**	**5,645**
Depreciation	2,355	2,184	1,025	1,290	1,359
Production Profit /(Loss)	47	97	93	-28	26
Profit/ (Loss) Before Tax	**-3,054**	**1,421**	**2,189**	**547**	**4,312**
Levy Paid to the Treasury	-	-	-145	330	65
Profit after Levy Paid	**–**	**–**	**2,044**	**217**	**4,247**
Key Performance Indicators					
Fuel Cost per km	33.01	104.54	109.23	102.42	88.58
No. of Employees per bus	8	6	5	4	4
Avg. buses operated per day	3,232	4,330	4,550	4,556	4,424
Operated km Mn	237	351	370	372	362
Bus Fleet Age Analysis					
Less than 5 Yrs	740	521	857	657	529
5>10 Yrs	2,273	2,467	2,377	1,527	617
10 > 15 Yrs	1,830	1,326	1,120	1,904	2,726
Over 15 Yrs	951	2,775	2,760	3,047	3,258
Total	**5,794**	**7,089**	**7,114**	**7,135**	**7,130**

Source: Sri Lanka Transport Board

[a] Provisional

8.8 Aviation

8.8.1 Airport and Aviation Services (Sri Lanka) (Private) Limited

Airport and Aviation Services (Sri Lanka) (Private) Limited (AASL) plays a pivotal role in Sri Lanka's economy, particularly in infrastructure development, the tourism industry, and foreign exchange earnings. As a fully government-owned entity, AASL develops, operates and maintains the country's international airports, namely Bandaranaike International Airport (BIA), Mattala Rajapaksa International Airport (MRIA), Colombo International Airport Ratmalana, Batticaloa Airport, and Jaffna International Airport. The company is also responsible for air traffic control, aviation security, and related

services across Sri Lanka. AASL's performance in 2025 highlights its resilience and strategic foresight, contributing significantly to Sri Lanka's economic recovery and positioning the nation as a competitive hub in regional aviation. Passenger movements show a positive trend for Sri Lanka, even though it has not yet returned to pre-COVID numbers.

The number of passengers handled by AASL increased by 14.6 percent from 8.9 million in 2024 to 10.2 million in 2025. In line with this growth, aircraft movements also rose from 84,789 in 2024 to 95,629 in 2025, reflecting an increase of 12.8 percent. Cargo handling recorded a marginal decline by 1.2 percent from 193,873 MT in 2024 to 191,483 MT in 2025. In contrast, transit passenger numbers showed a significant increase of 106.4 percent, rising from 458,681 in 2024 to 946,811 in 2025.

AASL demonstrated improved financial performance during the year 2025. Revenue from core business recorded a 14 percent increase to Rs. 49.9 billion in 2025, compared to Rs. 43.8 billion in 2024. Aeronautical revenue increased by 6 percent to Rs. 8.2 billion in 2025, compared to Rs. 7.8 billion in 2024 and non-aeronautical revenue increased by 16 percent to Rs. 41.7 billion in 2025, compared to Rs. 36 billion in 2024.

Between 2024 and 2025, total expenditure decreased slightly from Rs. 24.3 billion to Rs. 23.4 billion, mainly due to reductions in depreciation and repairs & maintenance, although personal expenses and administrative costs continued to rise. Despite the marginal decline in overall costs, profitability improved, with EBIT increasing from Rs. 27.3 billion to Rs. 34.1 billion, reflecting stronger operational performance. Net profit before tax also increased from Rs. 28.7 billion to Rs. 33.6 billion, indicating better overall financial results.

Table 8.21 | Financial Outturn of Airport and Aviation Services (Sri Lanka) (Private) Ltd.

Rs. Million

	2021	2022	2023	2024	2025[a]
Total Revenue	**10,792**	**32,258**	**48,804**	**51,640**	**57,504**
Aeronautical	2,299	6,195	7,575	7,768	8,234
Non Aeronautical	5,087	19,812	30,671	35,983	41,757
Other Income	85	114	130	147	157
Interest Income	3,321	6,137	10,428	7,742	7,356
Expenditure	**11,654**	**14,941**	**19,061**	**24,317**	**23,380**
Personnel Expenses	7,305	10,001	10,993	14,293	14,368
Admin. & Estab. Expenses	1,347	2,097	4,066	4,616	4,811
Depreciation	2,648	2,367	2,121	3,834	2,956
Repairs and Maintenance Expenses	354	476	1,880	1,574	1,245
Profit before Finance Cost and Tax	**-862**	**17,317**	**29,743**	**27,323**	**34,124**
Exchange Gain/ (Loss)on transactions	408	1,526	-162	-234	159
Interest Cost	-1,140	-1,854	-2,225	-2,516	-2,248
Exchange Gain/ (Loss) on loans and Fixed Deposits Conversion	634	-10,555	6,283	4,098	1,623
Net Profit/(Loss) Before Tax	**-960**	**6,434**	**33,639**	**28,671**	**33,658**
Tax	-1,122	-1,630	-5,517	-7,564	-7,726
Net Profit/(Loss) After Tax	**-2,082**	**4,804**	**28,122**	**21,107**	**25,932**
Total Assets	126,844	179,530	191,542	222,469	255,206
Total Liabilities	85,530	134,273	123,931	132,176	141,580
Total Equity	41,314	45,257	67,611	90,293	113,625
Total Borrowings	64,725	106,273	89,914	95,807	102,436
Borrowings during the year	19,833	2,544	321	20,469	3,139
Key Performance Indicators					
Aircraft Movements (Nos.)	47,391	59,451	74,239	84,789	95,629
Passengers Movements (Nos.) (Mn)	1.5	5.5	7.5	8.9	10.2
Cargo Movements (MT)	201,680	175,086	160,420	193,873	191,483
Transit Passengers	227,056	936,756	890,245	458,681	946,811

Source: Airport and Aviation Services (Sri Lanka) (Private) Ltd

[a] Provisional

8.8.2 SriLankan Airlines Ltd.

SriLankan Airlines Limited (SLA) recorded an improvement in passenger revenue and earnings from core business operations during 2025/26, supported by higher operational performance. Passenger revenue increased from Rs. 234.5 billion in 2024/25 to Rs. 265.9 billion in 2025/26, reflecting improved passenger demand and network performance. Cargo revenue remained relatively stable at Rs. 31.4 billion compared to Rs. 32.4 billion in the previous year. Accordingly, total net traffic revenue increased from Rs. 298.9 billion to Rs. 333.5 billion during the year.

Operational expenditure increased from Rs. 275.7 billion in 2024/25 to Rs. 307.1 billion in 2025/26, mainly due to higher fuel cost, airport, aeronaut and passenger expenses and maintenance costs. Aircraft fuel expenditure rose from Rs. 91.7 billion to Rs. 96.1 billion, while airport, aeronaut and passenger expenses and aircraft maintenance expenses increased significantly by 17 percent and 22 percent, respectively to Rs. 53.1 billion and Rs. 53.6 billion, respectively, reflecting increased operational activity and maintenance requirements. However, rentals on leased aircrafts declined from Rs. 3.6 billion to Rs. 1.9 billion, partially easing the cost burden. Earnings before interest and tax increased by 13.8 percent from Rs. 23.2 billion in 2024/25 to Rs. 26.4 billion during the year concerned.

Nevertheless, SLA continued to face significant financial pressures arising from debt servicing obligations and exchange rate fluctuations. In this context, the Government continued to support the airline through ongoing debt restructuring initiatives, including the restructuring of the USD 175 million international bond, which generated a positive one-off financial impact during the year. Further, the Government continued servicing loan obligations to Bank of Ceylon and People's Bank on behalf of SLA in order to support liquidity and uninterrupted operations. Accordingly, interest cost which was Rs. 36.2 billion in 2024/25 has reduced to Rs. 24.7 billion in 2025/26. However, adverse exchange differences mainly from transactions and liabilities amounting to Rs. 6.4 billion and Rs. 18.6 billion, respectively have significantly affected overall financial performance. With this effect, net loss before tax increased from Rs. 7.6 billion in 2024/25 to Rs. 23.2 billion in 2025/26.

The financial position of the Company reflects gradual improvement despite continuing balance sheet challenges. Total assets increased from Rs. 182 billion by end March 2025 to Rs. 204.6 billion by end March 2026. Total liabilities declined from Rs. 585.1 billion to Rs. 544.4 billion, reflecting progress in debt restructuring and liability management efforts. Negative equity also improved from Rs. 403.2 billion to Rs. 339.7 billion during the year.

Overall, SLA demonstrated improved operational performance and stronger earnings generation during 2025/26. However, the airline continues to face structural financial challenges due to high debt servicing costs and exposure to exchange rate volatility. Continued Government support and the successful implementation of debt restructuring initiatives remain critical for the long-term financial sustainability of the airline.

Table 8.22 | Financial Outturn of SriLankan Airlines Ltd.

Rs. Million

	2021/22	2022/23	2023/24	2024/25	2025/26[a]
Total Revenue	**134,274**	**372,532**	**335,811**	**298,909**	**333,516**
Passenger	77,999	293,329	276,250	234,481	265,865
Cargo	43,975	51,060	31,646	32,351	31,392
Excess Baggage	1,157	3,067	2,364	2,547	2,672
Other Income	10,504	23,856	24,840	28,788	32,846
Finance Income	639	1,221	711	742	741
Expenditure	**132,398**	**330,569**	**324,576**	**275,694**	**307,097**
Aircraft fuel cost	42,759	155,559	115,119	91,687	96,059
Employee cost	15,970	24,341	29,845	30,159	34,521
Airport, aeronaut and passenger expenses	19,272	48,474	46,714	45,438	53,087
Aircraft Maintenance and overhaul costs	23,088	42,199	40,359	43,783	53,610
Rentals on Leased Aircraft	44	504	10,723	3,556	1,939
Selling , Marketing and advertising expenses	7,180	24,628	22,078	20,280	24,341

Table 8.22 | Financial Outturn of SriLankan Airlines Ltd.Contd... Rs. Million

	2021/22	2022/23	2023/24	2024/25	2025/26[a]
Crew Expenses	3,231	7,661	9,701	9,468	11,524
Other Operating Expenses	6,665	12,516	12,759	13,415	15,784
Depreciation and Amortization	14,188	14,685	13,869	15,680	16,231
Unscheduled repair cost of Neo engines	–	–	11,572	2,228	–
Penalty charges of breach of agreement	–	–	11,837	–	–
Earnings Before Interest and Tax	**1,877**	**41,964**	**11,235**	**23,215**	**26,418**
Exchange Gain / (Loss) on transactions	-37,812	-25,560	3,261	1,524	-6,353
Interest Cost	22,813	51,395	37,312	36,237	24,668
Exchange Gain/(Loss) on loans and Fixed Deposits Conversion	-107,621	-38,274	26,688	3,903	-18,609
Net Profit/(Loss) Before Tax	**-166,370**	**-73,265**	**3,872**	**-7,595**	**-23,211**
Tax	–	357	–	–	–
Net Profit / (Loss) After Tax	**-166,370**	**-73,622**	**3,872**	**-7,595**	**-23,211**
Total Assets	**178,144**	**199,455**	**194,257**	**181,971**	**204,654**
Non Current Assets	122,686	132,773	131,498	131,950	146,783
Current Assets	55,459	66,682	62,759	50,021	57,871
Total Liabilities	**615,181**	**708,630**	**594,793**	**585,143**	**544,357**
Non Current Liabilities	257,020	210,323	187,903	166,825	157,982
Current Liabilities	358,161	498,307	406,890	418,318	386,375
Equity	**-437,037**	**-509,175**	**-400,535**	**-403,172**	**-339,703**
Accumulated losses	**537,505**	**612,376**	**607,614**	**616,306**	**639,517**
Serious loss of Capital	Yes	Yes	Yes	Yes	Yes
Key Performance Indicators					
Passenger carried (RPK Mn)	4,969	11,794	12,199	11,572	13,608
Aircraft Fleet (Nos.)	24	23	21	22	23
Passenger Capacity (ASK Mn)	10,144	15,188	15,425	14,715	16,042
% of Fuel Cost on Total Revenue	0.32	0.42	0.34	0.31	0.29
Passenger Load Factor	49	78	79	79	85

Source: SriLankan Airlines Ltd

[a] Provisional

8.9 Construction

The construction industry in Sri Lanka recorded a growth of 9.2 percent in 2025, while continuing its recovery from the downturn experienced earlier. This rebound was supported by the steady resumption of key public and private sector projects amid improving macroeconomic conditions. The growth was further supported by base effects, rising gross fixed capital formation, and continued investments in infrastructure, energy and utilities.

As one of the most vital sectors contributing to national development, the industry plays a central role in infrastructure development, employment generation and overall economic growth. In 2025, the construction sector contributed 5.7 percent to GDP.

Total turnover of the three main SOEs in the construction industry namely, State Engineering Corporation (SEC), Central Engineering Consultancy Bureau (CECB) and State Development and Construction Corporation (SD&CC) undertake most of the Government contracts in the construction industry, recorded almost a 12 percent increase in revenue to Rs. 13,417 million in 2025, compared to Rs. 11,988 million in 2024.

8.9.1 State Engineering Corporation

In 2025, the SEC completed government projects totaling Rs. 1,743 million, including Building for Department of Examinations at Pellawatta, new Prison Complex at Pallekele and New Secretariat Building at Kegalle. However, in 2025, SEC's revenue declined by 25 percent to Rs. 1,270 million from Rs. 1,698 million in 2024. At the same time, total expenditure

also decreased by 25 percent, primarily due to reduced operating expenditure benefitting from the Voluntary Retirement Scheme (VRS) implemented in 2023. As a result, SEC reduced its loss by 24 percent, from Rs. 773 million in 2024 to Rs. 589 million in 2025.

SEC was able to recover Rs. 261 million of outstanding dues from debtors within two years resulting a reduction of total receivables from Rs. 6,817 million in 2023 to Rs. 6,556 million in 2025. Despite this, a significant portion approximately 96 percent of the trade receivables remained overdue for more than three years. The total impaired balance as at end December 2025 amounted to Rs. 1,169 million.

The liquidity crunch also led to a rise in payables excluding bank debt to Rs. 12,531 million at the end of 2025, up from Rs. 11,795 million at the end of 2024. Due to limited cash flow, total bank debt also increased to Rs. 4,986 million at the end of 2025 from Rs. 4,807 million at the end of 2024.

In the meantime, under the restructuring process of SEC, the Cabinet of Ministers approved to transfer a land in Peliyagoda to the Urban Development Authority for the settlement of liabilities of the SEC.

Table 8:23 | Financial Outturn of State Engineering Corporation

Rs. Million

	2021	2022	2023[a]	2024[a]	2025[a]
Revenue	**3,163**	**2,625**	**1,927**	**1,698**	**1,270**
Construction	2,793	2,166	1,609	1,411	962
Consultancy	338	413	225	191	228
Other Income	32	46	93	96	80
Expenditure	**4,386**	**4,134**	**4,659**	**2,471**	**1,859**
Operating Expenditure	1,881	1,438	1,227	1,327	808
Staff Cost	2,049	1,912	1,058	702	669
Financial Cost	285	661	646	332	310
Other Expenditure	171	123	1,728	110	72
Profit/ (Loss) Before Tax	**-1,223**	**-1,509**	**-2,732**	**-773**	**-589**
Receivables	**8,036**	**8,299**	**6,817**	**6,550**	**6,556**
Payables	**13,985**	**15,031**	**11,736**	**11,795**	**12,531**

Source: State Engineering Corporation

[a] Provisional- except NEMO

8.9.2 Central Engineering Consultancy Bureau

The CECB, which primarily provides engineering consultancy and project management services, demonstrated stronger performance alongside its fully-owned construction subsidiary, Central Engineering Services (Pvt) Limited in 2025. As construction activities expanded across the country, demand for consultancy services, feasibility studies, and project supervision correspondingly increased. As a leading player in Sri Lanka's engineering consultancy sector, the CECB continued their operations strategically in sustainable energy ventures, including solar power augmentation and hydropower projects, while expanding its overseas operations, particularly in East Africa.

In 2025, CECB completed several high-profile projects, including the provision of consultancy services for AKON Airport in South Sudan, the relocation of the bus depot building in Kegalle and the construction of a multi-purpose building for the Department of Examinations. During the year, CECB completed projects valued at Rs. 704 million, of which Rs. 578 million was derived from government contracts. Additionally, CECB maintained a strong work-in-hand project portfolio of Rs. 2,731 million, comprising major initiatives such as the West Container Terminal – II, Colombo Port Expansion Project (CPEP), Uma Oya Multi-Purpose Project and Kalu Palama Project at Peradeniya.

Financially, CECB achieved 16 percent increase in revenue to Rs. 11,129 million in 2025 from Rs. 9,560 million in 2024, while expenditure rose by 20 percent to Rs. 10,734 million from

Rs. 8,953 million in 2024. This resulted in a significant decrease in net profit before tax to Rs. 395 million in 2025, compared to Rs. 607 million in 2024, reflecting margin pressures from higher operating costs. Despite these challenges, the Bureau strengthened its financial management over the past five years, reducing year-end receivables by 13 percent from Rs. 9,683 million by end 2021 to Rs. 8,408 million by end 2025. However, payables increased from Rs. 9,893 million at the end of 2024 to Rs. 10,844 million at the end of 2025, mainly due to mobilization advances and retention payables.

Furthermore, the Bureau successfully managed its financial position without resorting to bank borrowings during the year as well.

Table 8.24 | Financial Outturn of Central Engineering Consultancy Bureau

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**6,361**	**5,105**	**6,609**	**9,560**	**11,129**
Construction	3,947	2,748	4,009	7,157	8,969
Consultancy	2,117	1,748	1,494	1,777	1,719
Other Income	121	228	209	183	100
Finance Income	176	381	897	443	341
Total Expenditure	**6,314**	**5,035**	**5,861**	**8,953**	**10,734**
Operating Expenditure	4,620	3,441	4,494	7,102	9,249
Staff Cost	1,689	1,591	1,363	1,847	1,481
Financial Cost	5	4	4	4	4
Profit/ (Loss) Before Tax	**48**	**69**	**748**	**607**	**395**
Receivables	**9,683**	**9,446**	**8,781**	**8,308**	**8,408**
Payables- without bank debts	**11,278**	**10,990**	**10,551**	**9,893**	**10,844**
Investments	**3,223**	**3,314**	**4,068**	**4,415**	**4,484**

Source: Central Engineering Consultancy Bureau

[a] Provisional

8.9.3 State Development & Construction Corporation

In 2025, SD&CC completed government projects valued at Rs. 305 million, while maintaining an active project portfolio amounting to Rs. 461 million. The Corporation's total revenue increased by 39 percent to Rs. 1,018 million in 2025 from Rs. 730 million in 2024. Despite a reduction in expenditure by 19 percent to Rs. 1,583 million in 2025, these measures were insufficient to fully offset the operational challenges, resulting in a net loss of Rs. 565 million, although this reflects an improvement from the net loss of Rs. 1,217 million in 2024.

SD&CC made progress in financial management by reducing its receivables by 37 percent to Rs. 675 million at the end of 2025, supported by enhanced collection efforts. However, the Corporation continued to face significant liquidity pressures, with bank borrowings increased by 7 percent to Rs. 2,883 million from Rs. 2,686 million at the end of 2024, largely due to outstanding debt obligations. This highlights the continued financial constraints affecting the SD&CC's operations.

Table 8.25 | Financial Outturn of State Development & Construction Corporation

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**4,483**	**2,731**	**460**	**730**	**1,018**
Construction	4,216	2,060	-299	275	470
Consultancy	6	9	5	5	1
Other Income	261	662	754	450	547
Expenditure	**4,386**	**2,689**	**2,721**	**1,947**	**1,583**
Operating Expenditure	3,812	1,546	818	581	540
Staff Cost	109	858	522	503	408
Financial Cost	259	122	387	212	198
Other Expenditure	206	163	994	651	437
Profit/ (Loss) Before Tax	**96**	**42**	**-2,261**	**-1,217**	**-565**
Outstanding Debts to Banks	**1,989**	**1,982**	**2,106**	**2,686**	**2,883**
Receivables	**557**	**3,399**	**1,392**	**1,076**	**675**

Source: State Development & Construction Corporation

[a] Provisional

8.10 Lotteries

The lottery industry in Sri Lanka is a well-regulated segment and constitutes a significant component of the country's broader gaming sector. The industry operates as a duopoly market structure with two State Owned Enterprises, namely National Lotteries Board (NLB) and the Development Lotteries Board (DLB). These institutions are responsible for the design, distribution and management of a diverse range of lottery products targeted at the general public.

In terms of market structure, the NLB held a market share of 53 percent, while DLB accounted for the remaining 47 percent in 2025. The NLB's product portfolio comprised 11 lottery brands, including 9 passive and 2 instant lotteries. Similarly, the DLB offered 9 passive lottery brands.

A distinctive feature of the lottery industry in Sri Lanka is its contribution to national development. Proceeds from lottery operations are channeled towards a range of public welfare initiatives including education, healthcare and infrastructure development. The NLB contributes directly to the consolidated fund, while the DLB is a major contributor to the President's Fund, with a portion of such funds further allocated to the Mahapola Higher Education Trust Fund. During 2025, the NLB and DLB were able to channel Rs. 5,699 million to the Consolidated Fund and Rs. 7,361 million to the President's Fund, respectively. In 2025, the total lottery sales income amounted to Rs. 91,107 million, reflecting a growth of 33 percent compared to the previous year. Meanwhile, approximately an aggregate of Rs. 46,735 million prizes declared by both institutions, representing a 32 percent year- on –year growth.

Despite ongoing efforts towards digitization, the customer base of the lottery industry remains concentrated among the older generation, who demonstrates a strong preference for traditional paper– based lottery tickets. In contrast, participation among the younger demographics remains relatively low, indicating limited engagement with lottery products. Accordingly, beyond the expansion of digital sales platforms, a comprehensive, digitally enabled strategy, including product innovation, enhanced user experience and target marketing will be critical to attracting younger demographics and broadening the industry's customer base.

8.10.1 National Lotteries Board

NLB recorded its highest-ever sales income of Rs. 48,313 million in 2025, reflecting a 27 percent increase compared to Rs. 37,983 million in 2024. The total value of prizes declared also increased significantly to Rs. 24,879 million, representing a 26.8 percent growth over the previous year. During the year under review, NLB awarded its highest-ever super prize amounting to Rs. 470 million. NLB's contribution from lottery sales and levy to the Consolidated Fund recorded a notable increase of 25 percent, rising from Rs. 5,570 million in 2024 to Rs. 6,949 million in 2025.

Profit before tax increased significantly by 32 percent, from Rs. 6,203 million in 2024 to Rs. 8,177 million in 2025. This growth was primarily driven by the increase in sales income despite a rise in operating costs compared to the previous year. NLB continued to maintain its market leadership by sustaining an extensive network of dealers, agents and SMS dealers, enabling Board outreach across diverse geographical market segments across the island. In addition to traditional dealer channels, passive lotteries are also distributed through SMS dealers, further enhancing accessibility.

In line with its core business strategy, NLB continued to focus on diversifying its product portfolio and expanding its market share. As part of this strategy, the "Lucky 7" lottery was discontinued with effect from end January, 2025 and replaced it with "NLB Jaya" which generated sales income of Rs. 3,527 million. Furthermore, a new lottery product "Suba Dawasak" was introduced in July, 2025, and it generated sales income of Rs. 1,722 million during the year.

Table 8:26 | Financial Outturn of National Lotteries Board

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**17,299**	**21,696**	**31,573**	**36,545**	**46,099**
Lottery Sale Income	17,292	21,209	32,014	37,983	48,313
Less Direct Taxes – Excise Duty	–	–	–	–	–
Less Indirect Taxes – VAT	409	641	1,165	1,659	2,080
– SSCL	–	120	598	719	916
Other Income	416	1,248	1,322	940	782
Expenditure	**16,295**	**20,306**	**30,729**	**30,342**	**37,922**
Main Agency and Agency Commission	3,458	4,315	6,527	7,597	9,662
Prizes Declared	8,352	10,741	16,671	19,618	24,879
Tickets Printing Cost	425	874	1,187	837	902
Distribution, Sales & Marketing	1,074	921	1,408	1,159	1,299
Admin Expenses	812	840	1,057	1,128	1,147
Finance Cost	12	6	37	3	33
Contribution to Consolidated Fund and National Kidney Fund	2,162	2,609	3,842	–	–
Profit/ (Loss) Before Tax	**1,004**	**1,390**	**844**	**6,203**	**8,177**
Income Tax	43	305	194	189	381
Profit/ (Loss) After Tax	**961**	**1,085**	**650**	**6,014**	**7,796**
Key performance indicators					
Agency and Dealer network	3,257	3,145	3,182	2,845	2,796
Contribution to Consolidated Fund and National Kidney Fund	–	–	–	4,510	5,699
Contribution to consolidated fund as a % of revenue	**12**	**12**	**12**	**12**	**12**

Source: National Lotteries Board

[a] Provisional

8.10.2 Development Lotteries Board

The DLB also recorded its highest-ever sales income of Rs. 42,794 million in 2025, representing a significant increase of 41 percent compared to Rs. 30,314 million in 2024. As a major contributor to the President's Fund, the Board increased its contribution significantly by 80 percent to Rs. 7,361 million in 2025, up from Rs. 4,086 million in 2024.

The Board sustained its strong financial performance, reporting a profit before tax of Rs. 7,487 million in 2025, a year-on-year growth of 78 percent and surpassing the record achieved in 2024. Prize distributions to winners amounted to Rs. 21,856 million in 2025, marking a 39 percent increase compared to the previous year.

During the financial year, the Board undertook a strategic restructuring of its product portfolio to enhance market reach. In May, 2025, the Board launched a new daily lottery brand, "Jaya Sampatha". Subsequently, the "Jayoda" lottery was discontinued with effect from October 29, 2025. To maintain draw frequency, the "Sasiri" lottery was rescheduled for every Monday and Wednesday with effect from November 3, 2025. These initiatives reflect the Board's ongoing efforts to realign and strengthen its lottery portfolio.

The DLB continues to develop strategies to engage diverse market segments through digital platforms, with a focus on expanding online lottery sales. These efforts are aligned with the Board's objective of reinforcing its role as a key funding source for the President's Fund and Mahapola Higher Education Trust Fund, thereby contributing to the socio-economic well-being of communities across the country.

Table 8:27 | Financial Outturn of Development Lotteries Board

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**15,816**	**19,839**	**26,354**	**29,758**	**41,787**
Lottery sale income	15,730	19,754	26,608	30,314	42,794
Less Indirect Taxes – VAT	366	683	1,166	1,434	2,038
Other Income	110	321	435	248	241
Prize Write back	342	447	477	630	790
Expenditure	**12,863**	**16,572**	**22,838**	**25,561**	**34,300**
Agency Commission	2,947	3,701	4,989	5,684	8,024
Prizes Declared	7,866	9,884	13,451	15,701	21,856
Draw Cost	542	751	826	911	933
Tickets Printing Cost	434	844	1,148	833	894
Distribution, Sales & Marketing	537	787	1,716	1,636	1,739
Admin Expenses	537	605	708	796	854
Profit/ (Loss) Before Tax	**2,953**	**3,267**	**3,516**	**4,197**	**7,487**
Income Tax	-83	-56	106	-111	-126
Profit/ (Loss) After Tax	**2,870**	**3,211**	**3,622**	**4,086**	**7,361**
Contribution to President Fund	**2,305**	**3,211**	**3,622**	**4,086**	**7,361**
Key performance Indicators					
Agency and Dealers Network	2,946	2,605	2,456	2,640	2,677
Contribution to President fund as a % of revenue	**18.2**	**16.8**	**14.0**	**13.5**	**17.2**

Source: Development Lotteries Board
[a] Provisional

8.11 Livestock and Dairy

Livestock plays a diverse role in Sri Lankan agriculture sector for nutritional security, sustainable consumption and strengthening rural livelihoods, while contributing for around 1.3 percent of the National GDP in 2025. Among the subsectors of livestock, the dairy sector has been identified as a national priority in socioeconomic development. In this context, being state-owned entities, the National Livestock Development Board (NLDB) and Milco (Pvt) Limited (Milco) play a vital role in manufacturing and marketing of dairy products.

As per the recorded data of the Department of Animal Production and Health, only around 51 percent of the total milk consumption is met by domestic production with an increasing trend of annual milk production in 2025. Sri Lanka produced 340.8 million liters of cow milk and 63.8 million liters of buffalo milk in 2025, while incurring higher import costs for milk and milk-based products during the year.

8.11.1 Milco (Pvt) Ltd.

Milco, being a fully government-owned company, recorded a significant turnaround in both strategic positioning and financial performance in 2025, marking a pivotal

milestone in its transformation from a loss-making entity to a profitable and growth-oriented entity. The company operates to improve the milk-based production while strengthening the livelihoods of the local dairy farmers. In 2025, Milco collected 12.6 percent of the total milk production of the country.

In the year under review, Milco's total revenue increased by 21 percent to Rs. 19,648 million, compared to Rs. 16,187 million in 2024, due to optimization of its product mix by increasing the production volume of its high-margin product portfolio, thereby improving profit margins and financial performance. As a result, net profit of the Milco increased to Rs. 1,438 million in 2025, compared to Rs. 64 million net loss reported in 2024. Moreover, there was a significant decline in bank debt by 69 percent to Rs. 492 million as at end 2025.

During the year 2025, Milco established 126 new milk outlets across the country with the objective to uplift the livelihoods of dairy farmers by enabling their products to reach the market without any hindrance.

Table 8.28 | Financial Outturn of Milco (Pvt) Ltd.

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**12,620**	**13,975**	**15,300**	**16,187**	**19,648**
Sale of Milk Production	12,479	13,164	15,075	15,988	19,434
Other Income	141	811	225	199	214
Expenditure	**12,584**	**14,434**	**15,770**	**16,084**	**18,210**
Direct Expenses	11,293	12,730	13,551	14,064	16,140
Selling & Distribution	428	510	467	491	545
Administration	826	1,033	1,278	1,282	1,361
Finance Cost	29	157	435	387	139
Other Expenditure	8	4	39	27	25
Profit/(Loss) Before Tax	**36**	**-459**	**-470**	**-64**	**1,438**
Outstanding Debt to Banks	227	1,619	1,553	1,585	492
Key Performance Indicators					
Milk Collection (ltrs. Mn)	68	48	40	49	51
Earnings Per Share Rs.	-5.07	-0.56	-0.59	-0.08	1.69

Source: Milco (Pvt) Ltd.

[a] Provisional

8.11.2 National Livestock Development Board

The NLDB has become one of the leading suppliers of livestock and dairy products while managing with 32 livestock and coconut integrated farms aiming to enhance the socio-economic standards of the citizens by producing quality breeding materials, livestock and agricultural products, whilst imparting practical and theoretical knowledge of livestock to the farmers by the training center located at Digana.

The farms of NLDB are equipped with pure and hybrid breeders of cows, buffaloes, pigs, goats, sheep, rabbits, parent broilers, commercial broilers, ducks, turkeys, quails together with a network of 25 NLDB milk outlets and 27 farm based sales centers. In addition, NLDB has 3,908 hectares of coconut cultivation including 10 farms located in the coconut triangle with a production of 9.3 million coconut nuts in 2025, with part of the production converted to coconut oil for local consumers.

The overall contribution of NLDB to the national milk production is around 1.29 percent in 2025, with the total annual milk production of 404.6 million liters. NLDB recorded a profit of Rs. 286 million in 2025, compared to the profit before tax of Rs. 280 million in 2024, mainly due to the increase in revenue by 1.7 percent to Rs. 4,888 million in 2025.

Table 8.29 | Financial Outturn of National Livestock Development Board

Rs. Million

	2021	2022	2023	2024[a]	2025[a]
Revenue	**3,719**	**4,716**	**4,558**	**4,806**	**4,888**
Expenditure	**3,561**	**4,597**	**4,694**	**4,526**	**4,602**
Direct Expenditure	2,452	3,310	3,294	3,176	3,112
Administrative Expenditure	1,056	1,223	1,319	1,266	1,442
Distribution Expenditure	19	27	31	33	20
Other Expenditure	18	25	36	32	17
Finance Expenditure	16	12	14	19	11
Profit/(Loss) Before Tax	**158**	**119**	**-136**	**280**	**286**
Outstanding Debt to Banks	112	84	114	94	153
Key Performance Indicators					
Neat Cattle Milk (ltrs.'000)	9,774	6,433	4,875	4,149	4,508
Buffaloes Milk (ltrs.'000)	587	629	678	691	721
Goat Milk (ltrs.'000)	14	12	10	17	16
Curd Production (ltrs.'000)	431	348	403	380	407
Yoghurt (80ml Cups) (Nos.'000)	644	591	616	689	910

Source: National Livestock Development Board

[a] Provisional

8.12 Marketing and Distribution

8.12.1 Lanka Sathosa Ltd.

Lanka Sathosa Limited (LSL), as the largest state-owned retail network in Sri Lanka, continues to play a pivotal role in ensuring the availability of essential goods at affordable prices to the public. With an extensive network of 427 outlets and a workforce of over 3,272 employees, LSL remains deeply committed to its core mandate of safeguarding consumer welfare and contributing to national food security. Despite maintaining an approximate 5 percent market share in a highly competitive business environment, LSL's growth and market position are increasingly challenged by the rapid expansion and modernization of private sector supermarket chains.

In 2025, LSL reported sales revenue of Rs. 51,534 million, reflecting a slight decrease of 2.8 percent compared to Rs. 52,823 million in the previous year. At the same time, LSL's gross profit ratio recorded a marginal decrease to 12.34 percent in 2025, compared to 12.43 percent in 2024. However, due to the decrease in other expenditure by 20 percent to Rs. 7,445 million compared to Rs. 9,412 million in 2024, despite the decrease in other income by 3.9 percent, the LSL's operating loss decreased to Rs. 56 million in 2025, compared to the operating loss of Rs. 1,775 million in 2024.

The LSL manages to reduce its net financial expenses by 26 percent from Rs. 649 million in 2024 to Rs. 480 million in 2025. Accordingly, LSL reported a net loss of Rs. 536 million, a decrease of 78 percent compared to the net loss of Rs. 2,424 million recorded in 2024. The General Treasury settled the Treasury guarantees related to LSL's overdraft facilities, amounting to Rs. 4,977 million as at end December 2025, recognizing that amount as a government grant to LSL.

Table 8.30 | Financial Outturn of Lanka Sathosa Ltd.

Rs. Million

	2021	2022	2023	2024[a]	2025[a]
Revenue	**41,458**	**57,519**	**59,403**	**53,894**	**52,563**
Sales	40,473	56,852	58,179	52,823	51,534
Indirect Income	985	667	1,224	1,071	1,029
Operational Expenses	**41,936**	**57,112**	**58,908**	**55,669**	**52,619**
Cost of Sales	36,217	50,157	51,037	46,257	45,174
Other Expenditure	5,719	6,955	7,871	9,412	7,445
Operational Profit/Loss	**-478**	**407**	**495**	**-1,775**	**-56**
Financial Expenses (Net)	403	1,094	1,190	649	480
Profit/ (Loss) Before Tax	**-880**	**-687**	**-695**	**-2,424**	**-536**
No. of Outlets	437	440	445	448	427

Source: Lanka Sathosa Ltd.

[a] Provisional

8.13 Plantation

Sri Lanka State Plantations Corporation (SLSPC) and Janatha Estates Development Board (JEDB) were established with the objective of strengthening the contribution of the state plantation sector towards the national economy. The majority of estates under their ownership have been leased out to 23 Regional Plantation Companies while allotting the Golden Share of each RPC to the government. The government has retained the ownership of Kurunegala Plantations Limited (KPL), Chilaw Plantations Limited (CPL), Elkaduwa Plantations Limited (EPL) and Kalubovitiyana Tea Factory Limited (KTFL) from the above RPCs, in order to ensure the sustainability of the state plantation sector contribution towards the national economy.

Total revenue of KPL increased by 29 percent to Rs. 1,868 million in 2025, compared to Rs. 1,448 million in 2024, mainly due to high net sales average prevailed during the year amidst the drop in coconut production as a result of the impact of the weather pattern of the area. Meantime, the company's cost of sales increased by 12.7 percent to Rs. 896 million in 2025. However, KPL recorded a net profit of Rs. 635 million in 2025, an increase of 53 percent compared to Rs. 415 million in 2024, mainly due to the improvement in gross profit ratio from 38 percent in 2024 to 47 percent in 2025 and increase in other operating income by 33 percent to Rs. 83.6 million in 2025, compared to Rs. 62.7 million in 2024.

Total revenue of CPL increased by 54 percent to Rs. 1,845 million in 2025, compared to Rs. 1,200 million in 2024 due to the increased net sales average in 2025 and increase in coconut production by 10 percent to 11 million nuts in 2025 from 10 million nuts in 2024. Accordingly, net profit before tax of the CPL increased by almost 197 percent to Rs. 650 million in 2025, compared to Rs. 219 million in 2024.

EPL's total revenue increased by 18 percent to Rs. 649 million in 2025 from Rs. 550 million in 2024, mainly driven by higher tea sales, which were supported by increased green leaf production and improved yield per hectare due to the proper application of chemical fertilizer. As a result, the company recorded a net profit of Rs. 271 million in 2025, compared to Rs. 12 million in 2024.

KTFL's total revenue increased by 18 percent to Rs. 2,052 million in 2025, compared to Rs. 1,737 million in 2024, primarily due to the increase in made tea production by 15 percent to 1,489 metric tons in 2025, compared to 1,294 metric tons in 2024. Accordingly, KTFL recorded a net profit of Rs. 87 million in 2025, compared to the net loss of Rs. 7 million in 2024.

SLSPC manages 4,200 hectares across 15 tea estates and 01 rubber estate while the JEDB manages 3,572 hectares across 15 tea estates and 02 rubber estates. As the main crop, tea production of JEDB increased by 15 percent to 1,256 metric tons in 2025 due to increase in tea yield per hectare to 466 kg, compared to 403 kg in 2024. In the meantime, tea production of SLSPC also increased by 8.1 percent to 1,116 metric tons due to increase in tea yield per hectare to 501 kg in 2025, compared to 439 kg in previous year.

Total revenue of JEDB decreased by 8 percent to Rs. 1,602 million in 2025, compared to Rs. 1,732 million in 2024 and the total revenue of SLSPC increased by 13 percent to Rs. 1,340 million in 2025, compared to Rs. 1,183 million in 2024. Accordingly, the JEDB and SLSPC recorded net losses of Rs. 222 million and Rs. 35 million, respectively.

As approved by the Cabinet of Ministers, the unutilized lands/properties of JEDB, SLSPC and Regional Plantation Companies have been identified to be leased out to potential investors on a long-term basis for optimal use to strengthen agricultural exports. Moreover, the government increased the daily minimum wage for estate workers from Rs. 1,350/- to Rs. 1,750/- as a crucial step towards improving the livelihoods of plantation workers and addressing the challenge of dwindling the estate workforce.

Table 8.31 | Financial Outturn of State Owned Plantation Enterprises

		2021	2022[a]	2023[a]	2024[a]	2025[a]
Kurunegala Plantations Ltd (KPL)	**Operational Performance**					
	Coconut Production (Nuts Mn)	15	15	13	10	9
	Rubber Production (kg)	91,545	95,572	85,350	108,868	112,646
	Yield per Ha.- Coconut (Nuts)	5,142	5,163	4,244	3,388	3,098
	– Rubber (kg)	561	626	544	707	743
	Financial Performance (Rs. Mn)					
	Total Revenue	1,092	1,320	1,372	1,448	1,868
	Coconut Sales	798	875	811	800	1,169
	Rubber Sales	37	54	43	73	74
	Total Cost of Sales	412	549	563	795	896
	Net Profit/ (Loss) Before Tax	468	511	534	415	635
	Dividends	75	110	115	90	–
Chilaw Plantations Ltd (CPL)	**Operational Performance**					
	Coconut Production (Nuts Mn)	15	15	12	10	11
	Yield per Ha. (Nuts)	4,454	4,499	3,368	2,915	2,965
	Financial Performance (Rs. Mn)					
	Total Revenue	1,279	1,308	1,227	1,200	1,845
	Coconut Sales	802	882	770	869	1,484
	Cost of Sales	521	521	657	722	825
	Net Profit/ (Loss) Before Tax	511	514	303	219	650
	Dividends	80	125	90	50	–
Elkaduwa Plantations Limited (EPL)	**Operational Performance**					
	Green Leafs (MT)	2,108	1,768	1,685	1,780	2,043
	Coconut Production (Nuts Mn)	1	1	1	1	1
	Rubber Production (kg)	124,590	109,666	94,112	100,138	99,984
	Yield per Ha.					
	– Green Leaf (kg)	595	505	492	530	638
	– Coconut (Nuts)	3,695	4,768	3,970	3,200	1,863
	– Rubber (kg)	454	400	343	355	342
	Financial Performance (Rs. Mn)					
	Total Revenue	435	492	539	550	649
	Tea Sales	209	285	306	305	411
	Coconut Sales	52	62	70	53	70
	Rubber Sales	54	65	50	67	70
	Total Cost of Sales	366	348	418	453	486
	Net Profit/ (Loss) Before Tax	318	553	-371	12	271
Sri Lanka Cashew Corporation (SLCC)	**Operational Performance**					
	Yield per Ha.	140	140	100	206	90
	Average Price (Rs/kg)	360	450	575	625	800
	Financial Performance (Rs. Mn)					
	Total Revenue	182	204	253	353	308
	Net cashew sale	139	135	176	225	181
	Net Profit/(Loss) Before Tax	-20	14	-5	14	17
	Treasury Grants – Recurrent	65	78	80	92	120
	– Capital	64	29	47	55	181

Table 8.31 | Financial Outturn of State Owned Plantation Enterprises Cont...

		2021	2022[a]	2023[a]	2024[a]	2025[a]
Janatha Estates Development Board (JEDB)	**Operational Performance**					
	Tea Production (MT)	1,636	1,210	1,046	1,092	1,256
	Rubber Production (MT)	404	364	315	330	336
	Yield per Ha. – Tea (kg)	583	432	375	403	466
	– Rubber (kg)	793	697	595	653	709
	Financial Performance (Rs. Mn)					
	Total Revenue	1,513	1,723	1,544	1,732	1,602
	Cost of Production	1,970	1,357	1,315	1,635	1,531
	Net Profit/ (Loss) Before Tax	-490	20	-156	-229	-222
	Treasury Grants – Capital	30	–	190	360	360
Sri Lanka State Plantations Corporation (SLSPC)	**Operational Performance**					
	Tea Production (MT)	1,803	1,436	1,135	1,032	1,116
	Rubber Production (MT)	19	15	3	5	9.4
	Yield per Ha. – Tea (kg)	634	536	452	439	501
	– Rubber (kg)	272	363	162	272	480
	Financial Performance (Rs. Mn)					
	Total Revenue	1,040	1,229	1,147	1,183	1,340
	Cost of Production	1,028	935	915	969	1,089
	Net Profit/ (Loss) Before Tax	-232	19	-92	-69	-35
	Treasury Grants – Capital	14	178	64	170	330
Kalubowitiyana Tea Factory Ltd (KTFL)	**Operational Performance**					
	Made Tea Production (MT)	1,508	1,548	1,302	1,294	1,489
	Sales Quantity (MT)	1,512	1,539	1,331	1,231	1,171
	Financial Performance (Rs. Mn)					
	Total Revenue	1,069	2,715	1,884	1,737	2,052
	Cost of Production	1,036	2,285	1,747	1,667	1,892
	Net Profit/ (Loss) Before Tax	-2.76	346	69.39	-7	87
	Dividends	–	–	30	–	–
Lanka Sugar Company Ltd (LSCL)	**Operational Performance**					
	Sugar Production (MT)	48,177	36,738	41,863	39,719	35,452
	Sprit Production ('000 Liters)	13,037	11,790	7,059	5,145	8,133
	Financial Performance (Rs. Mn)					
	Total Revenue	12,556	20,036	16,985	11,403	12,186
	Sugar Sale	5,994	9,326	10,025	7,001	6,335
	Sprit Sales	6,272	9,948	5,612	3,813	5,119
	Net Profit/(Loss) Before Tax	1,250	6,045	2,835	-1,944	-3,193
	Dividends	–	–	1,597	–	–

Source: SOEs

[a] Provisional

8.14. Health

8.14.1 State Pharmaceuticals Corporation

The State Pharmaceuticals Corporation (SPC) is engaged in the importation and trading of pharmaceuticals and health care items, as well as the supply of such products to the Department of Health Services (DHS). In addition, SPC undertakes limited manufacturing activities, producing selected pharmaceuticals and health care products such as Jeevanee, Glucose and Benzyl Bensovate Cream. SPC continues to ensure its geographical presence through open market operations supported by 61 Osusala outlets, 121 franchised Osusala outlets and 53 distributors.

In 2025, sales to DHS increased by 26 percent, rising from Rs. 51,018 million in 2024 to Rs. 64,197 million. Meanwhile, sales of SPC open market operations recorded a marginal decline from Rs. 11,069 million in 2024 to Rs. 11,043 million in 2025. Overall, SPC's total revenue increased by 21 percent to Rs. 75,240 million in 2025, compared to Rs. 62,087 million in 2024.

SPC's total cost of sales increased by 23 percent to Rs. 68,008 million in 2025, compared to Rs. 55,138 million in 2024. As a result, the gross profit margin declined to 9.6 percent in 2025, compared to 11.2 percent in 2024. Meanwhile, financing costs decreased by 28 percent to Rs. 1,263 million in 2025, compared to Rs. 1,758 million in 2024, reflecting the easing of domestic interest rates during the period. Benefiting from the favorable impact from the decreasing finance cost, SPC recorded a 52 percent increase in profit before tax to Rs. 3,772 million in 2025, compared to the profit before tax of Rs. 2,474 million in 2024.

In compliance with the Government's levy policy, SPC paid Rs. 487 million to the Consolidated Fund in 2025, representing 30 percent of the profit after tax of Rs. 1,623 million in 2024. This contribution reflects the SPC's commitment to supporting fiscal stability, while continuing to ensure uninterrupted supply of essential pharmaceuticals to the health system of the country.

The persistence of long outstanding receivable balances continued to exert significant fiscal pressure on SPC's operating cash flow and liquidity position. At the end of 2025, total receivables from the Medical Supplies Division (MSD) amounted to Rs. 39,233 million, of which Rs. 23,867 million were outstanding payments for medical supplies procured from the SPC during the period 2018–2023 by the MSD of the Ministry of Health and Mass Media. Accordingly, in January 2026, Cabinet of Ministers approved to settle the due amount of Rs. 23,867 million to the SPC for the period of 2018–2023 in installments by managing the relevant provisions allocated to the Ministry of Health and Mass Media for the year 2026.

By end April 2026, Ministry of Health and Mass Media was able to settle Rs. 23.8 billion to the SPC. Furthermore, actions are being taken to reconcile the remaining balance due from 2008 to 2012. The implementation of these measures is expected to enhance SPC's liquidity position and strengthen its short-term financial stability.

A key strategic development in 2025 was the continued strengthening of SPC's laboratory function, marked by the initiation of the ISO 17025 accreditation process. This milestone reflects SPC's commitment to aligning with internationally recognized standards in testing, ensuring accuracy, reliability and quality management. Through these efforts, SPC aims to enhance public confidence and institutional credibility, while further reinforcing the scientific and regulatory framework that underpins the national pharmaceutical supply.

Moreover, under the patronage of the Asian Development Bank (ADB), an Enterprise Resource Planning (ERP) system is set to be introduced to strengthen Sri Lanka's pharmaceutical supply chain. The implementation of this system is expected to significantly improve operational efficiency, reduce costs and enhance overall supply chain effectiveness. This initiative is to be further supported at the policy level through the development of pharmaceutical procurement guidelines and manual by the National Procurement Commission.

Table 8.32 | Financial Outturn of State Pharmaceuticals Corporation

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**80,300**	**50,919**	**74,695**	**62,087**	**75,240**
MSD	70,853	40,973	62,948	51,018	64,197
SPC	9,447	9,946	11,747	11,069	11,043
Expenditure	**76,616**	**50,252**	**70,757**	**58,706**	**72,336**
Operational	73,491	46,214	67,550	55,138	68,008
Administration	1,967	2,059	2,480	2,890	3,106
Other	1,158	1,979	727	678	1,222
Other Income	**89**	**107**	**612**	**844**	**2,123**
Net Finance Income	**-573**	**-3,058**	**-3,282**	**-1,751**	**-1,255**
Profit/ (Loss) Before Tax	**3,199**	**-2,285**	**1,268**	**2,474**	**3,772**
Key Performance Indicators					
No. of Procurement	5,336	3,741	3,079	2,686	2,394
No. of Osusala Outlet	50	52	53	61	61
No. of Distributors	51	51	51	57	53
No. of Authorized Dealers	5	5	11	11	–
No. of Franchised Osusala	94	111	112	127	121

Source: State Pharmaceuticals Corporation
[a] Provisional

8.14.2 State Pharmaceuticals Manufacturing Corporation

By progressing towards its vision of becoming a model manufacturing and marketing organization for pharmaceutical and healthcare products, the State Pharmaceuticals Manufacturing Corporation (SPMC) introduced five new formulations to its product portfolio during the year 2025. Accordingly, SPMC has developed a total of 104 pharmaceutical products, adhering to international quality standards set by the British Pharmacopoeia (BP) and the United States Pharmacopoeia (USP), of which 77 products are currently in active production in line with national requirements. The Corporation recorded its highest-ever production output of 3,612 million units of tablets and capsules in 2025, compared to 3,175 million units in 2024.

Furthermore, SPMC supplies joint venture products in collaboration with six partner companies under shareholder agreements. Together with its local manufacturing partners, SPMC has played a pivotal role in meeting the pharmaceutical needs of Government hospitals and the domestic market by ensuring the availability of high-quality medicines at affordable prices.

Total revenue of the SPMC decreased by around 13 percent from Rs. 28,202 million in 2024 to Rs. 24,626 million in 2025. This decline was primarily due to the decrease in quantity demanded by MSD. In 2025, SPMC's revenue was primarily derived from sales to the MSD, amounting to Rs. 22,569 million, which accounted for 92 percent of its total revenue. Operating expenditure decreased by 13 percent to Rs. 22,507 million in 2025, compared to Rs. 25,738 million in 2024, primarily due to decrease in cost of sales in line with the reduction in revenue. Net finance income decreased by 12 percent to Rs. 510 million in 2025, compared to Rs. 581 million in 2024, primarily due to the reduction in interest rates for fixed deposits.

Overall, SPMC's profit before tax decreased by 13 percent to Rs. 2,671 million in 2025, compared to Rs. 3,083 million in 2024. However, SPMC paid Rs. 779 million in 2025 as levy to the Consolidated Fund, representing the highest-ever contribution made by the Corporation, indicating a strong liquidity position and providing both stability and the capacity to capitalize on future opportunities.

Table 8.33 | Financial Outturn of State Pharmaceutical Manufacturing Corporation

Rs. Million

	2021	2022	2023	2024	2025[a]
Revenue	**8,539**	**16,620**	**29,332**	**28,202**	**24,626**
MSD	6,963	13,928	26,696	26,288	22,569
SPC	94	108	–	–	–
Other	1,482	2,584	2,636	1,914	2,057
Operating Expenditure	**7,465**	**15,383**	**27,737**	**25,738**	**22,507**
Cost of Sales	7,102	14,559	26,382	25,220	21,946
Administration	244	336	396	418	443
Selling & Distribution	109	473	937	87	100
Other Operating	10	19	22	13	18
Other Income	**14**	**16**	**14**	**38**	**42**
Net Finance Income	147	333	564	581	510
Profit/ (Loss) Before Tax	**1,235**	**1,586**	**2,173**	**3,083**	**2,671**
Key Performance Indicators					
No of Production – tablets/capsules (Mn)	3,043	3,302	3,559	3,175	3,612

Source: State Pharmaceuticals Manufacturing Corporation

[a] Provisional

Table 8.34 | Performance of Other State Owned Enterprises

Description	Core Activities	Performance	Concerns
Insurance			
Sri Lanka Export Credit Insurance Corporation (SLECIC)	Provides support services to the export sector through the provision of export credit insurance and credit guarantee services to the exporters.	The operating profit decreased by around 6 percent in 2025, mainly due to the decrease in investment income. However, the profit before tax has increased by 6 percent to Rs. 592 million in 2025, compared to Rs. 560 million in 2024, due to decrease in non-operating expenses.	SLECIC should consider exploring new strategic initiatives to support the local export industry, while concurrently enhancing the financial strength of the entity.
Agricultural & Agrarian Insurance Board (AAIB)	Operates Agricultural Insurance Scheme, Farmers Pension Scheme and Fishermen Pension Scheme.	Net deficit decreased by 40 percent to Rs. 1.9 billion in 2025, compared to Rs. 3.2 billion in 2024, mainly due to the decrease in pension liability provision under operating expenses.	High dependency on National Budget due to mismatch in the inflows and outflows of insurance premium and insurance payments.
Non Renewable Resources			
Lanka Mineral Sands Ltd (LMSL)	Mining, processing and marketing of heavy mineral sands. Manufacture and sell any byproduct which may be produced as a result of refining and processing mineral sands.	LMSL's total revenue increased significantly by 78 percent to Rs. 2,037 million in 2025 from Rs. 1,142 million in 2024 due to the increase in sale of heavy minerals. As a result, LMSL recorded a profit before tax of Rs. 649 million in 2025 compared to the loss of Rs. 77 million in 2024.	LMSL needs to explore opportunities for value added products through Public Private Partnerships to compete in the international market.

Table 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Lanka Phosphate Ltd (LPL)	Excavate, process and sell rock phosphate which is used as a fertilizer for perennial agricultural crops such as tea, rubber and coconut.	LPL's total revenue decreased marginally to Rs. 1,284 million in 2025/26, compared to Rs. 1,316 million in 2024/25. Meantime, LPL's profit before tax decreased to Rs. 459 million in 2025/26, compared to Rs. 465 million in 2024/25.	LPL needs to explore opportunities for new product development through Public Private Partnerships in order to enhance value addition, improve competitiveness and diversify revenue streams.
Kahatagaha Graphite Lanka Ltd (KGLL)	Excavate, process and sell graphite as industrial raw material.	KGLL's total revenue in year 2025/26 increased by 38 percent to Rs. 206 million, compared to Rs. 149 million in the preceding year. As a result, KGLL's net profit before tax in 2025/26 increased significantly to Rs. 48 million, compared to Rs. 24 million in 2024/25.	KGLL should focus on enhancing value addition to graphite through Public Private Partnerships in order to cater the international market and improve export potential.
Health			
Sri Lanka Ayurvedic Drugs Corporation (SLADC)	SLADC is engaged in the manufacturing, sale and distribution of high-quality ayurvedic drugs, and pharmaceutical products. The corporation produces over 194 varieties of medicinal products and supplying to government ayurveda hospitals, Ayurvedic practitioners and the private sector, while also supporting the development of the indigenous medicine sector in Sri Lanka.	SLADC recorded its highest ever total revenue of Rs. 1,736 million in 2025, a 9 percent increase compared to Rs. 1,588 million in 2024. This growth was primarily driven by increased demand for high quality locally manufactured products and growing public confidence in traditional medicine. During the year, the corporation introduced seven new products and further expanded its herbal cultivation initiatives, thereby enhancing its product portfolio securing material supply. Consequently, profit before tax increased to Rs. 276 million in 2025, compared to Rs. 183 million in 2024.	In order to further improve its performance and competitive position, SLADC should prioritize the modernization of production machinery, improvement of raw material procurement processes, optimal utilization of its herbal gardens and the expansion of research and development activities. In addition, the adoption of a comprehensive business development strategy would support the expansion of its presence in both domestic and international markets.
Sri Jayawardenapura General Hospital (SJGH)	SJGH provides a comprehensive range of health care services including clinics, blood bank facilities and pharmacy services at affordable prices to the general public. In addition, SJGH plays a significant role in training of medical undergraduates, postgraduates and other health care professionals.	Hospital care income decreased marginally by 2 percent to Rs. 4,429 million in 2025, compared to Rs. 4,502 million in 2024. With budgetary support amounting to Rs. 3,154 million in 2025, SJGH reported a net profit of Rs. 363 million, compared to Rs. 552 million recorded in 2024.	SJGH should prioritize the modernization of infrastructure to meet evolving healthcare standards, enhance its hospital information management systems, attract specialized medical practitioners, and adopt a comprehensive service development strategy aimed at delivering internationally benchmarked quality of care.

Table 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Media			
Independent Television Network (ITN)	ITN Group is the pioneer television station in Sri Lanka, broadcast and producers a variety of programs in Sinhala, Tamil and English languages including news, teledramas, documentaries, educational programs, children entertainments, reality shows, religious programs, etc. through ITN, Vasantham TV, Lakhanda Radio, Vasantham FM.	ITN's total revenue decreased marginally to Rs. 1,992 million in 2025, compared to Rs. 1,996 million in 2024. During 2025, net finance income declined to Rs. 10 million, compared to Rs. 13 million in 2024, mainly due to lower interest earnings in line with prevailing market conditions. However, ITN reported a profit after tax of Rs. 76 million in 2025, compared to a profit after tax of Rs. 25 million in 2024 due to the impact of deferred tax.	ITN needs to address its structural challenges through cost control and should strengthen its revenue base by enhancing commercial strategies and improved collection mechanisms. Greater emphasis on digital transformation, and content competitiveness will be essential to ensure the long-term financial sustainability of the institution.
Sri Lanka Rupavahini Corporation (SLRC)	Produces and broadcasts informative, educational and entertaining programmes through channels namely, Rupavahini, channel Eye and Nethra TV.	Revenue of the SLRC increased marginally to Rs. 1,576 million in 2025, compared to Rs. 1,543 million in 2024, due to the increase in sale of Channel 1 TV time. Despite some cost management efforts, overall expenditure remained relatively high. As a result, for the year 2025 also SLRC recorded a net loss of Rs. 247 million, remaining at the same level as in 2024.	SLRC needs to focus on enhancing its revenue generation through improved commercial strategies and diversification of income, together with cost rationalization. Accordingly, the implementation of a structured restructuring plan, supported by strengthened governance and accountability, is essential to ensure long-term sustainability.
Sri Lanka Broadcasting Corporation (SLBC)	As the oldest radio station in Sri Lanka, SLBC engages in broadcasting activities through 6 national channels, (Sinhala National Service, Tamil National Service, Commercial Service, City FM, Thendral Service, English Service) and 6 Regional channels (Raja Rata FM, Ruhunu FM, Kandurata FM, Pierei FM, Yal FM, Wayamba Service and 1 community radio channel (Dambhana), with a view to providing its service as the pioneer radio broadcasting network in Sri Lanka.	Revenue of the SLBC decreased by 14 percent to Rs. 855 million in 2025, compared to Rs. 997 million in 2024. Operating expenses also decreased by 9 Percent to Rs. 1,056 million in 2025 compared to the previous year. As a result, the Corporation recorded a net loss of Rs. 203 million in 2025, compared to the net loss of Rs. 176 million in 2024. During the year under review, the General Treasury provided financial support amounting to Rs. 318 million in the form of equity to assist the Corporation in meeting its recurrent expenditure.	The implementation of a comprehensive restructuring program, together with enhanced governance and accountability mechanisms will be critical for improving the long-term financial sustainability of the Corporation. In the short term, SLBC should focus on achieving a break-even position by developing and executing a comprehensive business plan that aligns operational performance with revenue growth.

Table 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Marketing & Distribution			
Sri Lanka Handicraft Board (SLHB)	Sri Lanka Handicraft Board (SLHB) operating under the brand name of Laksala, plays an important role in supporting the indigenous handicraft industry by connecting local artisans and manufacturers with market opportunities. At present, SLHB operates with 11 sales outlets and souvenir boutiques, mainly located in key tourist areas across the country.	The Board's business activities are closely linked to the tourism industry, as a significant portion of its revenue is generated from foreign tourists. In 2025, SLHB recorded a decline in total revenue by 14 percent to Rs. 793 million, compared to Rs. 919 million in 2024. Despite this decrease in revenue, the SLHB reported an increase in profit before tax to Rs. 35 million in 2025, compared to Rs. 25 million in 2024.	In the domestic market, SLHB faces significant competition from a diverse range of sellers, including private handicraft retailers, independent artisans, roadside vendors and increasingly social media based online platforms that enable direct sales to customers, who operate with lower overhead costs and offer a wide variety of products at competitive prices. To effectively address the market competition, SLHB should strengthen its distinct position as a State-Owned Enterprise that assures the authenticity and quality of Sri Lankan handicrafts, while also adopting modern marketing approaches, particularly by enhancing its digital presence and developing e-commerce platforms to reach a broader customer base.
State Timber Corporation (STC)	Extracting and purchasing of timber and converting them into value added products. Sale of logs, sawn timber and finished products. Reforestation.	STC's total revenue increased by 17 percent to Rs. 5,579 million in 2025, compared to Rs. 4,765 million in 2024 mainly due to the increase in the crown land log sales. Simultaneously, profit before tax increased by 38 percent to Rs. 1,139 million in 2025, compared to Rs. 825 million in 2024.	STC should focus on strategies for new product and market development through Public Private Partnership.
STC General Trading (STC)	STC engages with the offering of various products such as retail, supplying chemicals and allied products, office supplies, construction materials, agricultural products, motor cycles, machinery & equipment and automotive tire and services ranging from household equipment to industrial machinery products.	STC recorded an increase of 16 percent in profit before tax to Rs. 429 million in 2025/26, compared to Rs. 370 million in 2024/25, despite the decrease in total revenue by 19 percent to Rs. 7,316 million in 2025/26.	STC should continue its business improvement strategies while enhancing its product range according to the current market requirements.
State Printing Corporation (SPC)	SPC primarily engages with the printing of school text books, exercise books and lottery tickets.	SPC's revenue declined by 7.7 percent to Rs. 2,656 million in 2025 compared to Rs.2,879 million in 2024, mainly due to the reduction in text book printing. As a result, SPC recorded a net profit before tax of Rs. 145 million in 2025, compared to the net profit of Rs. 284 million in 2024.	In order to ensure long-term sustainability and revenue diversification, SPC should place greater emphasis on expanding its market presence within the private sector and exploring additional commercial printing opportunities, while introducing advanced printing technologies to enhance efficiency and reduce costs.

Table 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Hotel Developers Lanka Ltd (HDL)	HDL is engaged in the hospitality trading business.	During the year 2025, HDL recorded a marginal increase in revenue to Rs. 5,434 million. However, HDL demonstrated a notable improvement in financial performance, reporting a profit before tax of Rs. 139 million in 2025, compared to a loss before tax of Rs. 268 million in 2024, due to the reduction in cost of sales by Rs. 224 million to Rs. 2,485 million.	Steps have been taken by HDL to improve operational efficiency and service delivery, particularly through continuous improvement of hotel facilities and alignment with international standards. In addition, progress on corporate-level restructuring initiatives, including the proposed capital reduction, should be accelerated, as the Cabinet of Ministers has approved strengthening the company's financial position and aligning its capital structure with operational needs.
Fisheries			
Ceylon Fishery Harbours Corporation (CFHC)	CFHC provides fishing communities infrastructural facilities and services connected to fishing harbours through its harbors spread around the country.	CFHC recorded a net loss of Rs. 329 million in 2025, compared to Rs.101 million net loss in 2024. This was mainly due to the harbour operational loss of Rs. 57 million incurred in 2025, compared to the harbour operational profit of Rs. 132 million in 2024.	The current contribution to the GDP needs to be increased by making the best use of the resources in the fishing harbours. Additionally, raising the fishing standard, revising the current fees and charges and implementing scanning facilities for harbour operations are crucial steps in raising the entity's revenue in the long run.
Ceylon Fisheries Corporation (CFC)	CFC specializes in buying fish from fishermen and selling it to the market to keep the price of fish consistent.	CFC recorded a net profit of Rs.132 million in 2025, compared to the net loss of Rs. 53 million in 2024, mainly due to increase in other income by 127 percent to Rs. 244 million and decrease in sales & distribution cost by 18 percent to Rs. 165 million.	Considering the possible demand, while restructuring and moving the businesses, CFC should let the pricing committee decide the price based on market factors and encourage purchasing officers to buy fish along the shore. The introduction of a centralized payment and collection system and the establishment of a centralized management information system are essential steps in boosting the entity's revenue in the long run.

Table 8.34 | Performance of Other State Owned Enterprises Contd...

Description	Core Activities	Performance	Concerns
Fertilizer			
State Fertilizer Company Limited (SFCL)	With the overarching aim of streamlining government institutions with overlapping functions and thereby reducing administrative costs and enhancing operational efficiency, the SFCL commenced operations on July 1, 2024, following the amalgamation of the two state-owned fertilizer companies, Ceylon Fertilizer Company Limited and Colombo Commercial Fertilizer Company Limited. The SFCL operated within a highly competitive open fertilizer market, confronting intensive competition of over 60 private sector participants including several well-established and financially strong entities. In line with government policy on fertilizer, the company discharged its core responsibility of distributing subsidized fertilizer for paddy cultivation. However, this has constrained its ability to expand into the non-paddy fertilizer segment.	SFCL recorded a total revenue of Rs. 6,958 million in 2025/26, compared to Rs. 2,582 million revenue recorded for the 9 months in 2024/25. Accordingly, the company recorded a net profit before tax of Rs. 578 million in 2025/26.	Going forward, SFCL should prioritize improving procurement efficiency, expanding its presence in the non-paddy segment and ensuring the availability of fertilizer at competitive prices. These strategic measures will enable the company to sustain growth and strengthen its position in the market.

Source: SOEs

Annexure 8.1 | Profitability of Key 52 State Owned Enterprises

Rs. Million

	Enterprise	Profit/(Loss) Before Tax			Total Revenue 2025 [b]	Budgetary Support 2025	
		2023	2024[b]	2025[b]		Recurrent	Capital
1	Bank of Ceylon	40,342	106,904	120,827	548,623	–	–
2	People's Bank	15,345	41,584	64,409	382,009	–	–
3	National Savings Bank	4,287	26,268	44,493	202,761	–	–
4	State Mortgage & Investment Bank	-1,165	158	737	7,695	–	–
5	HDFC Bank	2,034	64	10	7,730	–	–
6	Pradeshiya Sanwardena Bank	1,183	3,210	5,830	42,814	–	–
7	Employees' Trust Fund Board	64,959	63,177	68,510	71,278	–	–
8	Sri Lanka Insurance Corporation Ltd[c]	29,272	3,098	6,007	6,831	–	–
9	National Insurance Trust Fund	13,329	16,442	9,391	42,023	–	–
10	Sri Lanka Export Credit Insurance Corporation	1,056	560	592	950	–	–
11	Agriculture and Agrarian Insurance Board	-3,885	-3,182	-1,907	3,450	5,324	–
12	Ceylon Electricity Board	57,633	141,605	-38,740	447,537	–	–
13	Ceylon Petroleum Corporation	120,346	34,188	36,461	848,431	–	–
14	Sri Lanka Ports Authority	40,359	46,349	57,278	110,262	–	–
15	National Water Supply and Drainage Board	5,235	23,833	31,604	89,385	–	45,608*
16	Airport and Aviation Services (SL) (Pvt) Ltd	33,639	28,671	33,658	57,504	–	–
17	SriLankan Airlines Ltd[a]	3,872	-7,595	-23,211	333,516	–	25,276*
18	Sri Lanka Transport Board	2,189	547	4,312	73,783	15,150	5,852**
19	State Engineering Corporation	-2,709	-773	-589	1,270	–	–
20	Central Engineering Consultancy Bureau	748	607	395	11,129	–	–
21	State Development and Construction Corp.	-2,261	-1,217	-565	1,018	–	–
22	Milco (Pvt) Ltd	-470	-64	1,438	19,648	–	–
23	National Livestock Development Board	-136	280	286	4,888	–	–
24	Sri Lanka State Plantations Corporation	-93	-69	-35	1,340	–	256*
25	Janatha Estates Development Board	-156	-229	-222	1,602	–	360*
26	Kurunegala Plantations Ltd	534	415	635	1,868	–	–
27	Chilaw Plantations Ltd	303	219	650	1,845	–	–
28	Kalubovitiyana Tea Factory Ltd[a]	69	-7	87	2,052	–	–
29	Sri Lanka Cashew Corporation	-5	14	17	308	120	181
30	Lanka Mineral Sands Ltd	4,051	-77	649	2,037	–	–
31	Lanka Phosphate Ltd[a]	363	465	459	1,284	–	–
32	Kahatagaha Graphite Lanka Ltd [a]	28	24	48	206	–	–
33	Development Lotteries Board	3,516	4,197	7,487	41,787	–	–
34	National Lotteries Board	845	6,203	8,177	46,099	–	–
35	State Pharmaceuticals and Manufacturing Corp.	2,173	3,083	2,671	25,189	–	–
36	Sri Lanka Ayurvedic Drugs Corporation	218	183	276	1,736	–	–
37	State Pharmaceuticals Corporation	1,268	2,474	3,772	77,370	–	–
38	Sri Jayawardenepura General Hospital	304	552	363	7,770	2,986	131
39	Independent Television Network Ltd	-205	3	62	1,992	–	–
40	Sri Lanka Rupavahini Corporation	-360	-247	-247	1,576	–	–
41	Sri Lanka Broadcasting Corporation	-528	-176	-203	855	–	318*
42	Sri Lanka Handicraft Board	65	25	35	793	–	–
43	State Timber Corporation	1,274	825	1,139	5,579	–	–
44	STC General Trading Company[a]	1,501	370	429	7,316	–	–
45	Lanka Sathosa Ltd	-695	-2,424	-536	52,617	–	1,146*
46	State Printing Corporation	2,792	284	145	2,656	–	–
47	Ceylon Fisheries Corporation	-25	-53	132	5,586	–	–
48	Ceylon Fishery Harbour Corporation	640	-101	-329	646	388	143
49	Hotel Developers Lanka Ltd	-784	-268	139	5,434	–	–
50	Lanka Sugar Company Ltd	2,835	-1,944	-3,193	12,186	–	600*
51	Ceylon Fertilizer Company Ltd[a]	61	118	–	–	–	–
52	Colombo Commercial Fertilizer Company Ltd[a]	162	555	–	–	–	–
53	State Fertilizer Company Ltd[a]	–	–	578	6,958	–	–
	Total	**445,353**	**539,128**	**444,411**	**3,631,222**	**23,968**	**79,871**

Sources: SOEs and Department of Public Enterprises
** Equity investments*
***Includes Equity investment of Rs. 1.8 Bn*
[a] Financial Year end 31 March – (i.e. 2025; For 2025/26)
[b] Provisional
[c] SLIC -Only the profit of Holding Company

Annexure 8.2 | Submission of Annual Reports – SOEs

		2020	2021	2022	2023	2024
1	Bank of Ceylon	√	√	√	√	√
2	People's Bank	√	√	√	√	√
3	National Savings Bank	√	√	√	√	√
4	State Mortgage & Investment Bank	√	√	√	√	√
5	HDFC Bank	√	√	√	√	X
6	Pradeshiya Sanwardena Bank	√	√	√	√	X
7	Employees' Trust Fund Board	√	√	√	√	√
8	Sri Lanka Insurance Corporation Ltd	√	√	√	√	√
9	National Insurance Trust Fund	√	√	√	√	√
10	Ceylon Electricity Board	√	√	√	√	X
11	Ceylon Petroleum Corporation	√	√	√	√	√
12	Sri Lanka Ports Authority	√	√	√	√	√
13	National Water Supply and Drainage Board	√	√	√	√	X
14	Airport and Aviation Services (SL) (Pvt) Ltd	√	√	√	√	√
15	SriLankan Airlines Ltd	√	√	√	√	√
16	Sri Lanka Transport Board	√	√	√	√	X
17	State Engineering Corporation of Sri Lanka	X	X	X	X	X
18	Central Engineering Consultancy Bureau	√	√	√	√	√
19	State Development and Construction Corporation	√	√	√	√	X
20	Milco (Pvt) Ltd	√	√	X	X	X
21	National Livestock Development Board	√	√	√	X	X
22	Ceylon Fisheries Corporation	X	X	X	X	X
23	Ceylon Fishery Harbour Corporation	√	√	√	√	X
24	State Pharmaceuticals and Manufacturing Corporation	√	√	√	√	√
25	SL Ayurvedic Drugs Corporation	√	√	√	√	X
26	State Pharmaceuticals Corporation	√	√	√	√	√
27	Sri Jayawardenapura General Hospital	√	√	√	√	X
28	Independent Television Network Ltd	√	√	√	√	X
29	Sri Lanka Rupavahini Corporation	√	√	√	X	X
30	Sri Lanka Broadcasting Corporation	√	√	√	X	X
31	Ceylon Fertilizer Company Ltd	√	√	√	√	X
32	Colombo Commercial Fertilizer Company Ltd	√	√	√	√	X
33	State Timber Corporation	√	√	√	√	√
34	STC General Trading Company	√	√	√	√	X
35	Hotel Developers Lanka Limited	√	√	√	√	√
36	Lanka Sugar Company Ltd	√	√	√	√	X
37	Lanka Sathosa Ltd	√	√	√	X	X
38	Development Lotteries Board	√	√	√	√	√
39	National Lotteries Board	√	√	√	√	√
40	Lanka Mineral Sands Ltd	√	√	√	√	X
41	Lanka Phosphate Ltd	√	√	√	√	√
42	State Printing Corporation	√	√	√	√	X
43	Sri Lanka Export Credit Insurance Corporation	√	√	√	√	√
44	Agriculture and Agrarian Insurance Board	√	√	√	√	X
45	Sri Lanka State Plantations Corporation	√	√	√	√	X
46	Kurunegala Plantations Ltd	√	√	√	X	X
47	Janatha Estates Development Board	X	X	X	X	X
48	Chilaw Plantations Ltd	√	√	√	√	X
49	Kalubovitiyana Tea Factory Ltd	√	√	√	√	X
50	Sri Lanka Cashew Corporation	√	√	√	X	X
51	Sri Lanka Handicraft Board	√	√	√	X	X
52	Kahatagaha Graphite Lanka Ltd	√	√	√	X	X

Sources : SOEs and Department of Public Enterprises

09

Public Finance Management

9.1 Overview

The submission of Regulations under the Public Financial Management Act No. 44 of 2024 to Parliament and the implementation of the e-GP system have been recognized as Structural Benchmarks under the International Monetary Fund (IMF) Extended Financing Facility programme.

Accordingly, with the assistance of Development Partners including the International Monetary Fund, Asian Development Bank, and the United Nations Development Programme, new Regulations are currently being drafted while the Financial Regulations issued in 1992 are being reviewed and revised to ensure consistency with the Act.

Public procurement has also been identified as a key area for reform, with the deployment of a revamped Electronic Government Procurement (e-GP) system aimed at enhancing transparency, efficiency, and accountability in government procurement processes. A significant proportion of public funds is expended on procurement activities, including the acquisition of goods and services by various ministries, departments, and other public sector agencies. Consequently, improvements in the efficiency and effectiveness of procurement processes can contribute substantially to reducing government expenditure. In this context, the adoption of an e-GP system is considered an essential mechanism for promoting best practices in government procurement and strengthening transparency and accountability in the use of public resources.

9.2 Public Financial Management Act

With a view to implementing the provisions stipulated in the Public Financial Management (PFM) Act, the Minister of Finance is required to formulate and issue Regulations under the Section 67(1) of the Act. Accordingly, new Regulations under the PFM Act are being formulated, and the existing Financial Regulations (FRs) are being updated to ensure consistency with the provisions of the PFM Act. This process also necessitates the removal of redundant provisions contained in the existing Financial Regulations issued in 1992, as well as the introduction of new sets of Regulations to operationalize newly introduced areas under the PFM Act, including Public Investment Management and Fiscal Responsibility. Meantime, directives by way of circular and guidelines will be issued to cover existing and new provisions that are not included in the Regulations.

In order to achieve this objective, several rounds of consultations were conducted with external stakeholders, with particular emphasis on identifying special Regulations that had been incorporated into the existing Financial Regulations and on determining areas of redundancy. In this context, the Department of Public Finance is in the process of finalizing the Regulations with the assistance of the respective Treasury Departments.

Although the issuance of Directives is not an IMF structural benchmark, it is imperative that such Directives be issued simultaneously with the Regulations in order to ensure the effective implementation of the provisions of the Public Financial Management Act. Accordingly, the Department of Public Finance is also in the process of finalizing the required Directives, with the assistance of the respective Treasury Departments. The process was supported by Development Partners through technical, advisory, and institutional support.

Review of Statutory and Non-Statutory Funds

Ministries, Departments and State-Owned Enterprises maintain various Funds outside the Consolidated Fund under their respective purview. These include both statutory funds established through statutes and non-statutory funds created for specific operational purposes. The governance framework for such funds is set out in Part VIII, Section 39 of the Public Financial Management Act, No. 44 of 2024. Under the Article 149 of the constitution, it is articulated that funds outside the Consolidated Fund can be maintained only under specific circumstances. As such, through the PFM Act, all public entities have been requested to either wind up non-statutory funds or to convert them to statutory funds through statutes, if retention of such funds are critical and those functions cannot be carried out through regular budgetary allocations.

Under Section 39(4) of the PFM Act, the Secretary to the Treasury appointed a Review Committee in 2025 to examine non-statutory funds. The Committee carried out a comprehensive review of approximately 121 non-statutory funds reported by Ministries, Departments, and other institutions. The Review Committee's Report was submitted to the Cabinet of Ministers, and approval was obtained to implement its recommendations.

The Department of Public Finance issued Circular No. 04/2024 dated 06.11.2024 and Circular No. 01/2025 dated 28.02.2025, providing detailed guidance to Chief Accounting Officers (CAOs) on fund management, reporting requirements, and governance standards. In addition, approximately 70 clarifications and specific instructions were issued to CAOs to reinforce compliance and ensure sound financial oversight. Initial steps were also taken to formulate Regulations and Directives relating to statutory funds in alignment with the PFM Act. Further in accordance with Section 39(2) of the Act, a Consolidated Report on the performance of statutory funds for the year 2024 was prepared and submitted to the Cabinet of Ministers during the year 2025. The Cabinet of Ministers has subsequently granted approval to implement the recommendations contained in the Report. Overall, these measures strengthened regulatory oversight, improved transparency, and ensured greater compliance with the provisions of the PFM Act, thereby enhancing the governance and financial discipline of statutory and non-statutory funds.

9.3 Procurement Management

Adherence to sound procurement practices has been emphasized at every level to ensure a transparent, efficient, and timely public procurement process that guarantees value for money and fair dealing, thereby safeguarding the public interest. In this context, the government procurement system represents a fundamental element of Public Financial Management (PFM), supporting transparency, efficiency, and the responsible management of public resources.

The Electronic Government Procurement (e-GP) system, capable of facilitating goods procurement under the Shopping Method, has been deployed and is currently in operation. To date, the e-GP platform has enabled the registration of approximately 875 Procuring Entities and 5,900 vendors. By the end of 2025, more than 400 Government Procuring Entities had undertaken their procurements through the e-GP platform, and over 61,500 procurements had been conducted through the system. With the notable progress achieved in the implementation of the e-GP platform, Procuring Entities have been instructed to upload information relating to major procurements to enhance transparency and ensure public accessibility to procurement information.

During the year, the Department of Public Finance assumed full operational control of the e-GP platform following the termination of the contract with the former System Implementation Partner (SIP). Meanwhile, preliminary work relating to the design and development of the e-GP platform to cover procurement methods beyond the Shopping Method, by way of obtaining the services of new System Implementation Partner (SIP) with the technical and financial support of the World Bank, has been initiated and is currently in progress.

Furthermore, the Department of Public Finance has taken steps to integrate SLT Rainbow's registered vendor database with the e-GP platform. The necessary system developments for both platforms have been completed, and the registration of such vendors on the e-GP platform is currently underway.

Moreover, the public is able to access procurement notices covering all procurement categories, including those with Total Cost Estimates exceeding Rs. 200 million, while details of contract awards exceeding Rs. 200 million have been made publicly available through the e-GP portal with effect from 01 July 2022. Circular No. e-GP/ICT/Awards (sp)/2025 dated 2025/08/05 has been issued in this regard by the Secretary to the Treasury.

In addition, recommendations and feedback have been provided to the National Procurement Commission (NPC) for the development of new Procurement Guidelines and revision whenever requested during the year. The process of appointing High-Level and Cabinet-Appointed Procurement Committees has also been continued to ensure the effective oversight of major government procurements.

Box 9.1 | Non-Financial Assets Management of the Government

As the productive use of the Non- Financial Assets of the Government have been deteriorated due to the lack of a focused agency to adhere to an effective system to oversee the efficient utilization of assets, secure assets adequately and for the maintenance and improvement of assets, the Comptroller General's Office is mainly entrusted with overseeing the management of these assets of the Government. Hence, it is required to maintain an updated comprehensive central data base for the Non-Financial Assets of the Public Institutions (Government Agencies (Ministries, Departments, District Secretariats, Special Spending Units, Foreign Missions), Public Enterprises and Provincial Councils & Local Governments) and to formulate and implement Non – Financial Assets management policies, identifying idle resources and ensuring effective use of these assets, to strengthen the development framework of the Government.

In order to ensure the proper management of Non- Financial Assets of the Government, it is required to enact the Public Assets Management Law.

The online Non-Financial Assets Management System (NFAMS) has been introduced by issuing the Assets Management Circular No 06/2023, for the Non-Financial Assets management of the Government. This system has been implemented with effect from 01st September 2023 and module on vehicles has been implemented as the first module of this system. Through this system, a web-based centralized comprehensive real time data recording system is established, which consists of essential information including assets valuation required for the Non-Financial Assets management. The design, software development, implementation, improvement and maintenance of NFAMS is done by the Comptroller General's office and the Department of Information Technology Management, without incurring an additional cost to the Government. The other modules in NFAMS will be implemented gradually, in due course.

As recorded in NFAMS as at 18th May 2026, the vehicle fleet of the Public Institutions amounts to 96,027 (92,116 in running condition and 3,911 not in running condition). Under the module on vehicles in NFAMS, there are registered 2,159 data reporting entities as at 18th May 2026, to record the vehicle details. The age analysis of this vehicle fleet by type of the vehicle is as given in the Table:

Age analysis of the Vehicle fleet of the Government as recorded by Public Institutions in NFAMS as at 18.05.2026

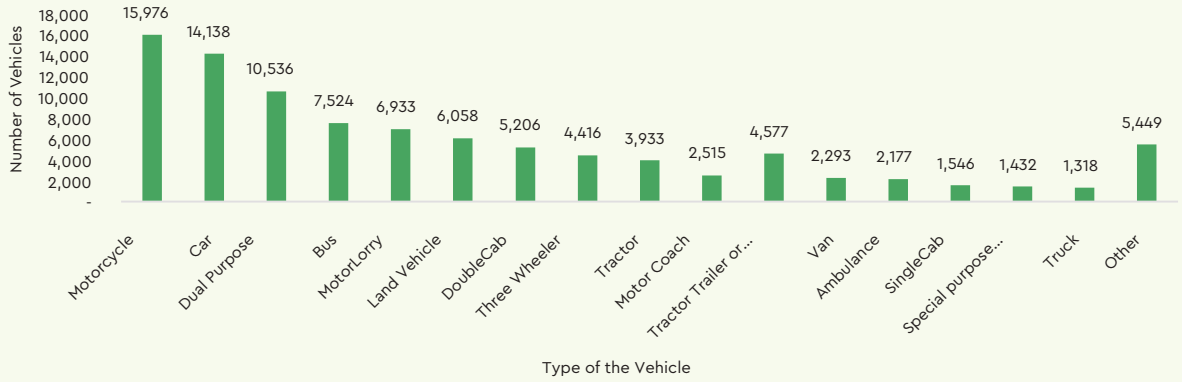
Type of Vehicle*	1–5 Years	6–10 Years	11–15 Years	More than 15 Years	Total
Motorcycle	576	3,881	4,344	7,175	15,976
Car	909	1,211	5,291	6,727	14,138
Dual Purpose	33	1,073	3,297	6,133	10,536
Bus	558	462	3,440	3,064	7,524
MotorLorry	180	828	1,977	3,948	6,933
Land Vehicle	149	854	1,402	3,653	6,058
DoubleCab	79	626	1,950	2,551	5,206
Three Wheeler	2,062	315	732	1,307	4,416
Tractor	284	461	751	2,437	3,933
Motor Coach	37	215	878	1,385	2,515
Tractor Trailer or Bowser	794	636	1,179	1,968	4,577
Van	76	303	688	1,226	2,293
Ambulance	147	653	424	953	2,177
SingleCab	58	413	503	572	1,546
Special purpose vehicle	107	390	569	366	1,432
Truck	264	71	424	559	1,318
Other	551	956	1,258	2,684	5,449
Grand Total	**6,864**	**13,348**	**29,107**	**46,708**	**96,027**

** The type of the vehicle (except other) is based on the categorization given in the vehicle Certificate of Registration issued by the Department of Motor Traffic and Car, Dual Purpose and other vehicle categories given here include the luxury category vehicle mentioned in the Assets Management Circular No. 05/2024.*

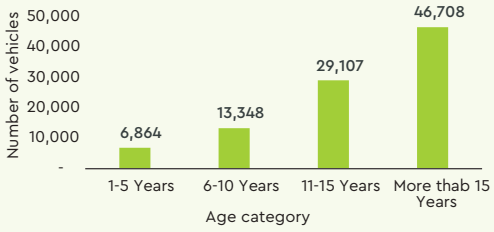
Source: Comptroller General's Office

Box 9.1 | Non- Financial Assets Management of the Government contd....

Vehicle fleet of the Government as per the Type of the Vehicle



Age analysis of the vehicle fleet of the Government



Vehicle module auditing:

In order to ensure the accuracy in vehicle registration and respective real time data recording in NFAMS by each Public Institution, auditing facility also in this system for the Auditor General and the Internal Auditor of each Institution has been provided and accordingly necessary instructions have been given by issuing the Assets Management Circular No. 01/2026.

Valuation:

Policy for valuation of Vehicle, Structure, Building, Land, Plant & Machinery and Office Equipment & Furniture has been provided by issuing the Assets Management Circulars No. 04/2018, No. 02/2019 and No. 05/2021. The Assets Management Circular No. 02/2024 provides updated instructions on valuation of vehicles incorporating the provisions given by the previous circulars.

Revenue from sale of capital assets (Rs.Mn.)						
Description	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 (as at 30.04.2026)**
Vehicles	128.3	226.4	329.6	136.0	2,954.6	358.2
Other Assets	60.1	357.8	186.3	974.1	632.7	95.4
Total	**188.4**	**584.2**	**515.9**	**1,110.1**	**3,587.3**	**453.6**

Source: Comptroller General's Office

Resolving vehicle ownership issues:

Necessary instructions for the settlement of ownership issues of vehicles have been given by issuing the Assets Management Circulars No. 02/2017 and 03/2018. During the year 2025 the Comptroller General's Office has resolved registered ownership issues of 39 vehicles. Accordingly, from 2019 to 18th May 2026, the Comptroller General's Office has resolved registered ownership issues of 1009 vehicles.

Prevent misplacement / underutilization and secure of Non-Financial Assets:

Assets Management Circular No. 05/2022 provides necessary instructions on properly handover / takeover of relevant Non-Financial Assets in the instances of position changes or change / abolish / closure of institutions. In addition, with respect to the completion or termination of Government projects, Assets Management Circular No. 01/2024 provides necessary instructions on the requirement of properly reporting the information of assets used for the implementation of such projects, to the Comptroller General's Office to provide necessary instructions for the reallocation or disposal of these assets.

Disposal of vehicles:

Necessary instructions for the disposal of vehicles have been given by issuing the Assets Management Circulars No. 05/2020, 04/2022 and 05/2024.

Revenue from Sale of Capital Assets

Revenue collected from the sale of capital assets amounted to Rs. 4,040.9 million during the year 2025 and as at April 30, 2026. Increase in revenue from disposal of vehicles is mainly due to the disposal of luxury vehicles as instructed by the Assets Management Circular No. 05/2024.

10

Human Resource Management

10.1 Overview

In 2025, Sri Lanka recorded a broad-based recovery across multiple sectors of the economy. In support of this positive trajectory, previously stringent human resource management policies were moderately relaxed. This policy adjustment was undertaken despite ongoing fiscal constraints and persistent challenges related to expenditure control and cost containment.

The legal framework governing public sector human resource management was further strengthened in 2025 with the enactment of the Public Financial Management Act, No. 44 of 2024, which vests authority in the Minister of Finance over the cadre management of public entities. Within this framework, the Minister of Finance is vested with the authority to determine salaries, wages, and other forms of remuneration of officers and employees of public institutions, in compliance with national remuneration policies. This legal framework is intended to enhance accountability, transparency, and fiscal discipline in the management of the public workforce and its associated financial obligations.

Acknowledging the necessity of robust public service delivery, a comprehensive assessment was conducted to identify cadre requirements and critical vacancies. Priority was accorded to filling essential technical positions and establishing new positions necessary to accelerate public service delivery and strengthen the implementation capacity of national development projects. This targeted approach extended to state-owned commercial enterprises, self-financing entities, and vital sectors such as health, education, and defence. A significant milestone achieved in 2025 was the effective management of substantial recruitment demands across various government institutions. Accordingly, approval was granted to fill 76,988 vacancies as at 31 December 2025.

In 2025, initiatives were implemented to increase public sector remuneration with the aim of ensuring a satisfactory standard of living for government employees while strengthening their motivation and commitment towards effective public service delivery. This initiative was also intended to strengthen the government's capacity to attract and retain skilled and competent personnel, while maintaining fiscal discipline and avoiding undue pressure on the national budget. The salary revision was designed to be implemented in a phased manner across three stages, commencing in April 2025, followed by subsequent adjustments in January 2026 and January 2027. The increase in the minimum basic salary of public service employees has been correspondingly extended to judicial service personnel, employees of public corporations and statutory boards, university staff, and officers of the tri-forces, ensuring uniform applicability on an equivalent basis across these sectors. Circulars were issued to revise the salary structures of the respective service categories. Notwithstanding the existence of distinct salary frameworks for Sri Jayewardenepura Hospital and Wijaya Kumaratunga Hospital, the absence of an applicable circular for these institutions was effectively addressed in 2025.

The measures taken in 2025 to formalize semi government sector are noteworthy. In particular, the issuance of circulars establishing a standardized framework for the payment of allowances to resource persons engaged in training programmes, seminars, and capacity development initiatives conducted by public corporations, fully government-owned companies, and statutory bodies contributed to enhancing the quality of such programmes. Furthermore, the introduction of provisions facilitating the attachment of trainees to these institutions for practical training represented a significant step toward strengthening institutional capacity and promoting skills development.

The initiation of a cadre review process in 2025, aimed at fostering a more qualitative and optimally structured workforce within identified priority sectors, represents a significant measure in strengthening public sector human resource management. Accordingly, the first phase of these cadre reviews was successfully commenced in the Health, Agriculture, and Provincial Council sectors. Furthermore, a notable milestone was achieved with the submission of a comprehensive report to the Cabinet of Ministers by 31 March 2025, which provided detailed information on the approved and actual cadre strengths of the public sector as at 31 December 2024. This submission

represents a significant development, as it marks the first instance since the COVID-19 pandemic that such comprehensive personnel data has been systematically presented to the Cabinet.

Expenditure on salaries, wages, and pensions accounted for more than 30 per cent of the total government recurrent expenditure in 2025. Spending on salaries and wages increased by approximately 10 percent, rising to Rs. 1, 293 billion in 2025 from Rs. 1,178 billion in 2024. Similarly, pension payments grew by nearly 12 percent, reaching Rs. 445 billion in 2025 compared to Rs. 396 billion in the previous year. This situation further underscores the necessity of rationalizing human resource management practice in the public sector.

10.2 Cadre Management in 2025

Table 10.1 | Public Sector Cadre Composition 2016 – 2025

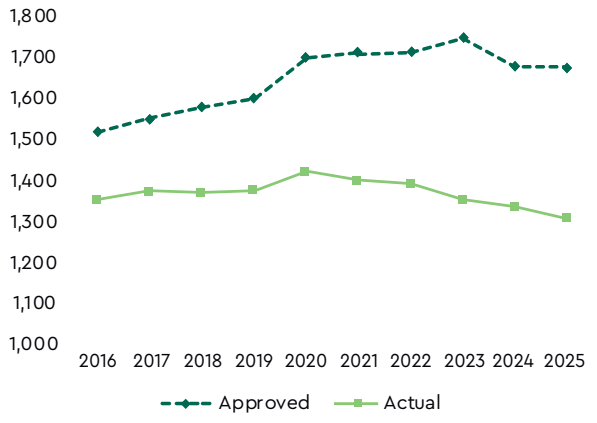
Administrative level		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Increase/ Decrease % 24/25
National (Including Tri-forces)	App	874,046	880,971	892,509	906,264	1,006,276	1,013,419	1,018,019	1,030,672	961,390	958,853	-0.26
	Act	754,548	756,339	742,960	740,574	805,802	792,317	783,238	751,227	736,246	717,254	-2.58
Provincial Councils and Local Authorities	App	412,560	428,433	440,560	444,348	444,174	446,025	441,748	463,078	463,365 *	463,286*	-0.01
	Act	372,033	385,311	392,528	400,897	390,061	389,105	398,528	395,758	400,950*	395,469*	-1.37
Total Public Service	**App**	**1,286,606**	**1,309,404**	**1,333,069**	**1,350,612**	**1,450,450**	**1,459,444**	**1,459,767**	**1,493,750**	**1,424,755**	**1,422,139**	**-0.18**
	Act	**1,126,581**	**1,141,650**	**1,135,488**	**1,141,471**	**1,195,863**	**1,181,422**	**1,181,766**	**1,146,985**	**1,137,196**	**1,112,723**	**-2.15**
State Owned Enterprises	App	234,220	242,194	248,625	251,419	251,440	255,545	255,650	254,559	255,678 #	254,900#	1.45
	Act	226,695	233,849	235,145	236,293	227,253	219,838	212,117	206,875	198,951 #	195,643#	-0.06
Total Public Sector	**App**	**1,520,826**	**1,551,598**	**1,581,694**	**1,602,031**	**1,701,890**	**1,714,989**	**1,715,417**	**1,748,309**	**1,680,433**	**1,677,039**	**-0.20**
	Act	**1,353,276**	**1,375,499**	**1,370,633**	**1,377,764**	**1,423,116**	**1,401,260**	**1,393,883**	**1,353,860**	**1,336,147**	**1,308,366**	**-2.08**
Rate of Utilization of the Approved Cadre (%)		89	89	87	86	84	82	81	77	80	78	
Cumulative Number of Pensioners		579,414	585,670	617,386	639,984	660,934	672,196	676,430	704,795	725,119	740,881	2.17

Source: Department of Management Services
Department of Pensions
App – Approved Cadre
Act – Actual Cadre
** Including SOE cadre of the Provincial Council*
 # Excluding SOE cadre of the Provincial Council

As of the end of 2025, the total approved cadre in the public sector stood at 1,677,039, reflecting a marginal decline of 0.2 percent compared to 2024. This slight reduction is largely due to the suppression of certain vacant positions, which were retained on a personal-to-holder basis.

In parallel, the total number of deployed employees in the public sector experienced a modest decline of 2 percent, decreasing from 1,336,147 in 2024 to 1,308,366 in 2025. This reduction was primarily attributable to administrative delays encountered by recruitment agencies in conducting public sector recruitments, together with the continuation of employee retirements during the reporting period of 2025. The cadre utilization rate, measured against the total approved cadre, was recorded at 78 percent by the end of 2025, indicating a decrease of 2 percentage points relative to the previous year. This decline in utilization is largely associated with government-imposed constraints on public expenditure and delays in the recruitment process. Although Cabinet approval was granted in 2025 to recruit 76,988 personnel across various government institutions, only 17,244 positions had been filled by year-end.

Figure 10.1 | Total cadre of Public Sector (2016–2025)
(Number of Cadre – Thousands)



Source: Department of Management Services

10.3. Public Sector Cadre Utilization – 2025

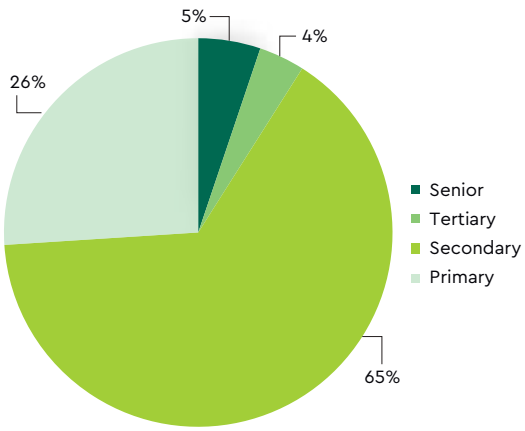
Table 10.2 | Public Sector Cadre Utilization – 2025

Institutional Category	Approved Cadre	Existing Cadre	Rate of utilization of the approved Cadre
Ministries, Departments and Special Spending Units, Tri-Forces	958,853	717,254	75%
Provincial Councils	463,286	395,469	85%
State Owned Enterprises	254,900	195,643	77%
Total	**1,677,039**	**1,308,366**	**78%**

Source: Department of Management Services

10.4 Distribution of Public Service Cadre by Service Level (Excluding Tri – forces and SOEs)

Figure 10.2 | Distribution of Public Service Cadre (Approved Cadre excluding Tri-forces and SOEs)



Source: Department of Management Services

Public Service is delineated into four hierarchical tiers, namely primary, secondary, tertiary, and senior, contingent upon the type of services dispensed. These tiers encompass vocations pertinent to employment classifications encompassing technical, non-technical, professional, managerial and administrative.

Analysis into cadre distribution in line with service levels in the Public Service shows that 65 percent of public servants are concentrated under the secondary service level. Secondary service level mainly represents Teachers, Development Officers as well as Health Workers such as Nursing, Para Medics, and Professions Supplementary to Medicine officers. In year 2025, cadre distribution in secondary service level shows a decrease of 2 percent compared to year 2024. The modest decline in secondary service levels was primarily driven by a contraction in recruitment within this category.

Specifically, the acquisition of teaching staff and various Professions Supplementary to Medicine officers was hindered by ongoing litigation that constrained the recruitment process. The suboptimal and uneven distribution of this category, specifically the disproportionate allocation of supervisory positions has resulted in the widespread underutilization of the secondary level workforce, most notably among Development Officers. Consequently, the government maintained its policy of a hiring moratorium for the Development Officer Cadre throughout 2025 to address these internal efficiencies.

Box 10.1 | Cadre Review in Public Sector

A cadre review is a systematic and comprehensive assessment of the staffing structure of an organization with the objective of ensuring that the number, composition, and distribution of employees are aligned with institutional mandates, service delivery requirements, and policy priorities. In the public sector, cadre review serves as a strategic human resource management tool that evaluates existing posts, identifies gaps or redundancies, and recommends optimal staffing arrangements to enhance efficiency and effectiveness.

Cadre reviews typically examine several key dimensions, including the number of approved and actual staff, the relevance of job roles, workload distribution, skills and competencies of employees, and the alignment between organizational objectives and human resource capacity. This process is often supported by data analysis, stakeholder consultations, and benchmarking against comparable institutions.

In this context, cadre reviews should be conducted on a periodic basis to achieve optimal outcomes. Accordingly, the Department of Management Services initiated a comprehensive cadre review for the period 2025–2026. The first phase of cadre reviews was successfully commenced in key priority sectors, including Health, Agriculture, and Provincial Councils. Furthermore, the postal service sector has also been identified as an additional area for review in line with prevailing operational and service delivery considerations. The primary focus of the cadre review was to,

- Promote efficiency by ensuring cost-effective utilization of human resources, thereby minimizing both over-staffing and under-staffing.
- Enhance service delivery by aligning staff capacity with operational requirements, enabling institutions to respond more effectively to public demands.
- Support fiscal discipline through evidence-based decision-making on recruitment, promotions, and remuneration.
- Facilitate organizational restructuring and modernization by identifying outdated roles and recommending new positions in line with emerging priorities, such as digital governance and performance management.

Building upon the aforementioned objectives, it is noteworthy that approximately 30 percent of the total approved cadre in the public sector is concentrated within the Provincial Councils. Despite this significant share, a comprehensive cadre review of Provincial Council institutions had not been undertaken for nearly a decade. In this context, the initiation of a comprehensive cadre review encompassing all Provincial Councils in 2025 represents a significant milestone towards achieving optimal cadre management and improved resource allocation.

Furthermore, the Agriculture sector was identified as a priority area for cadre review, given its devolved nature and the shared responsibilities between Provincial Councils and the Central Government. Accordingly, field inspections were conducted across the relevant institutions, and preliminary evidence was systematically collected during 2025 to support informed decision-making.

The Health sector, given its critical role in sustaining a free public healthcare system, was also prioritized. Rationalizing the costs associated with healthcare delivery is essential for strengthening public financial management. In this regard, field inspections for the cadre review of the Health sector were initiated in 2025, covering the first phase of selected institutions, including Teaching Hospital Anuradhapura, District Hospital Polonnaruwa, District Hospital Matale, National Hospital Kandy, Teaching Hospital Peradeniya, Sirimavo Bandaranaike Children's Hospital – Peradeniya, Teaching Hospital Kalutara, and the National Institute of Mental Health.

In addition, the preliminary activities pertaining to the cadre review of the Department of Posts was successfully completed in 2025. This process enabled the identification of operational requirements of the postal service and facilitated the reorganization of the cadre in alignment with service delivery needs. Furthermore, the review recognized the Department of Posts as a business-oriented entity and assessed its market competitiveness, thereby providing a basis for enhancing its operational efficiency and strategic positioning.

10.5 Highlights – 2025

10.5.1 Transport, Highways, Ports and Civil Aviation Sector

The Sri Lanka Transport Board (SLTB) maintains the largest workforce within the transport sector. Although salary adjustments and the absorption of primary-level staff were executed in 2018 in accordance with Management Services Circulars, the transition of senior-level personnel into the revised organizational structure faced protracted delays. Comprehensive evaluations conducted in 2025 identified the primary obstacles as non-compliance with qualifications prescribed in new schemes of recruitments, irregular promotions under legacy schemes, and ongoing litigation. Following rigorous consultations, a framework for individual officer absorption was finalized in 2025, aimed at restoring organizational functionality and establishing a transparent, recruiting qualified personnel to the positions in a formal manner.

Concurrently, the Road Development Authority (RDA) experienced significant industrial unrest stemming from delays in the absorption process. Subsequent to a detailed structural review, directives were issued for the absorption of senior, middle, and junior management tiers, with the remaining cadres scheduled for absorption in 2026.

Furthermore, foundational progress was made in the maritime and aviation sectors during 2025. This included the initial drafting of a formal Scheme of Recruitment (SOR) for the Sri Lanka Ports Authority and the commencement of a comprehensive cadre review for Airport & Aviation Services (Sri Lanka) (Private) Limited. Final approval and implementation for both initiatives are anticipated within the 2026 fiscal year.

10.5.2 Energy Sector

Among the specific measures implemented in 2025 to manage energy sector human resources, the Cabinet approved optimization of cadre at the Ceylon Petroleum Corporation proved pivotal to enhancing operational efficiency. It will provide substantial support to the Ceylon Petroleum Corporation – a state-owned business entity in successfully achieving its goals within a competitive business environment. In terms of Sri Lanka Electricity Act, No. 36 of 2024, initiation of transferring Ceylon Electricity Board staff to successor companies, on restructuring of the institutional structure of the power industry, is also an important step taken towards optimizing state-sector cadre. As optimal cadre management in state-owned enterprises directly impacts their profitability and sustainability these prudent measures will make positive changes in public sector employment and state-owned enterprises.

10.5.3 Industrial Sector

As a pivotal component of workforce management within the industrial sector in 2025, a rigorous adjustment of the human resource requirements for Lanka Mineral Sands Limited was conducted. This evaluation was carried out to align the plan with the strategic mining and operational plan for the next twenty-five years. The review encompassed an analysis of current and future operational mandates, production targets, and specialized technical functions to optimize organizational efficiency. Based on these inspections and a comprehensive organizational review, the cadre of the Company was revised in accordance with its operational requirements. Accordingly, approval was granted for a permanent cadre of 693 employees, together with 15 personal-to-holder posts, for the Head Office and the 21 sections of the Pulmoddai Plant of Sri Lanka Mineral Sands Limited.

10.5.4 Social Service Sector

The government is responsible for empowering marginalized and disadvantaged individuals to live with dignity in society, and securing the rights of those with disabilities. As such, allocations have also been made by 2025 National Budget Proposals for the care and development of children with disabilities including autism.

As full time care is necessary for children with disabilities, parents of such children lose the opportunity to pursue suitable employment causing them mental distress and to address this, steps are being taken to provide daycare services from 8.00 a.m. to 5.00 p.m. covering all districts for disabled children including autism

who are over 06 months and under 18 years of age so as to ensure care combined with skill development for them while arranging transport facilities as necessary for those children who are able to live with some level of independence.

For that purpose, 171 cadre has been approved to establish 06 daycare centers in 06 districts of Matara, Trincomalee, Kegalle, Hambanthota, Galle and Kaluthara under the first phase in 2025.

Box 10.2 | Salary Revision for the Public Sector Employees – 2025

Aimed at sustainably improving the living standards of the public sector employee, while strengthening their motivation and commitment towards effective public service delivery; steps were taken as per budget proposals 2025 to increase the minimum monthly basic salary in the public sector to Rs. 40,000/- and to increase the value of the annual salary increment by 80%. Accordingly, this salary increase was effected with a ratio of 1:4.375 between the minimum and maximum salaries in the public service.

In proceeding as above, monthly allowance of Rs. 5,000/- granted for the Public Service in terms of Public Administration Circular No. 03/2022 dated 13.01.2022, monthly allowance of Rs. 5,000/- granted for the Public Corporations, Statutory Boards and Government Owned Companies in terms of Public Enterprises Circular No. 01/2022 dated 10.01.2022 and the monthly interim allowance of Rs. 2,500/- granted for the Public Service in terms of Public Administration Circular No. 09/2019 dated 22.04.2019 were integrated in to the basic salary and with the implementation of these salary revisions, the said circulars were rescinded.

Percentage of allowances paid as a percentage of the basic salary was revised so as not to exceed the financial value of that allowance to ensure that the take home salary is increased only by the amount of the basic salary increase.

In view of prevailing fiscal constraints, the comprehensive salary revision was structured within the Treasury's fiscal capacity and is being executed across three distinct phases. The total projected expenditure for this initiative is estimated at approximately Rs. 325 billion. Under the phased implementation framework, all public sector employees received an initial increment effective April 1, 2025, comprising Rs. 5,000 plus 30% of the balance exceeding that amount. The remaining 70% of the net increase was scheduled for disbursement on a proportionate basis on January 1, 2026, and January 1, 2027, respectively.

As per Budget Proposals 2025, the Department of Management Services took steps to issue circulars as given below.

Salary Circulars – 2025		
1.	Revision of Salaries of Employees of Public Corporations, Statutory Boards and Fully Government Owned Companies – 2025	01/2025
2.	Revision of Salaries of the Chief Justice and the Judges of the Superior Court – 2025	02/2025
3.	Revision of Salaries of High Court Judges and the Officers in Sri Lanka Judicial Service – 2025	03/2025
4.	Revision of Salaries for the Staff of the Parliament 2025	04/2025
5.	Revision of Salaries for Tri Forces Personnel – 2025	05/2025
6.	Revision of Salaries of Staff of University Grants Commission and the Academic and Non- academic Staff of the Universities- 2025	06/2025
7.	Revision of Salaries for the Staff of Sri Jayawardenapura General Hospital – 2025	07/2025
8.	Revision of Salaries for the Staff of Wijaya Kumaratunga Memorial Hospital – 2025	08/2025

10.6 Way Forward

Managing human resources in the public sector has become increasingly complex in recent years, largely due to constrained fiscal space and the growing burden of salary and wage expenditures. The relatively large size of the public workforce, when compared with international benchmarks, together with long-term liabilities arising from a non-contributory pension system, continues to exert significant pressure on public finances. In addition, persistent skill mismatches across employee categories, resistance from trade unions and staff groups, and deeply rooted social and cultural factors have constrained efforts to optimize workforce structures. These challenges have remained prevalent for nearly a decade and are likely to persist in the absence of a comprehensive and systematic assessment of actual cadre requirements.

In this context, cadre review emerges as a critical strategic instrument for strengthening public sector human resource management. Moving forward, it is essential that cadre reviews are institutionalized as a regular and continuous process, rather than being undertaken on an ad hoc basis. Periodic reviews would enable the timely identification of staffing gaps, redundancies, and emerging skill requirements, thereby facilitating a more responsive and adaptive workforce. Furthermore, it is imperative to undertake a comprehensive cadre review across the entire public sector to assess current staffing requirements and identify opportunities for technological integration to enhance service delivery.

A key priority in this regard is the systematic updating and rationalization of Schemes of Recruitment across the public sector and State-Owned Enterprises. Aligning recruitment frameworks with evolving service delivery needs, technological advancements, and performance standards would ensure that the right competencies are attracted and retained within the system. This should be complemented by the introduction of competency-based recruitment and promotion mechanisms, which would help address existing skill mismatches and improve overall productivity.

Furthermore, rationalizing salaries and remuneration structures remains essential to ensure fiscal sustainability while maintaining employee motivation and retention. This requires a balanced approach that links compensation with roles, responsibilities, and performance, while also ensuring equity and transparency across institutions. Such reforms would contribute to improved expenditure management without undermining the quality of public service delivery.

In addition, greater emphasis should be placed on workforce planning and data-driven decision-making. The establishment of integrated human resource information systems would facilitate real-time monitoring of cadre positions, staff deployment, and performance indicators, thereby enhancing the effectiveness of cadre management. Strengthening institutional capacity for conducting evidence-based cadre reviews is also crucial in this regard.

Equally important is the need to manage change in a consultative and inclusive manner. Constructive engagement with trade unions and employee representatives can help mitigate resistance and build consensus around necessary reforms. Awareness and capacity building initiatives should also be undertaken to address social and cultural barriers that hinder organizational transformation.

In conclusion, the way forward for cadre management in the public sector lies in adopting a holistic, evidence-based, and forward-looking approach. By institutionalizing periodic cadre reviews, modernizing recruitment frameworks, rationalizing remuneration, and strengthening data systems, the government can move towards achieving an optimal, efficient, and sustainable workforce that is better aligned with national development priorities.

PART IV

Financial Statements

Financial Statements

Note to Readers

Financial Statements of the Government for the year ended 31st December 2025 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flow, Statement of Changes in Net Assets / Equity, applied Accounting Policies and Notes thereto are forwarded herewith.

The Statement of Financial Position shows the assets and liabilities of the Government whereas Statement of Financial Performance shows government's affairs in relation to revenue collection and use of resources as provided by Appropriation Act No. 03 of 21st March 2025, of twenty one (21) Special Spending Units, twenty four (24) Government Ministries, hundred (100) Government Departments and twenty five (25) District Secretariats. Further, in the Financial Statements, it is reflected the financial support provided to fifty four (54) Commercial Public Corporations, one hundred two (102) Government Owned Companies / Plantation Companies / US Dollar Denominated Companies, one (01) Development Bank in the form of capital contribution or shareholding and also information relating to allocation of financial resources to nine (09) Provincial Councils by the Government.

As per the provisions under the Public Financial Management Act No. 44 of 2024, Financial Statements should be prepared to reflect financial results and Financial Position of the Democratic Socialist Republic of Sri Lanka. Since these Financial Statements should be prepared in accordance with the Article 149 and 150 of the Constitution of Democratic Socialist Republic of Sri Lanka, in addition, Generally Accepted Accounting Principles could not be followed in all the time. However, in such deviations, reasons for deviation and the relevant alternate accounting policies are disclosed in the Financial Statements.

Modified cash basis accounting method is used to prepare the Financial Statements and actions are taken to include the assets and liabilities generated through the cash basis transactions in the Financial Statements whenever possible.

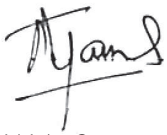
The Computerized Integrated Government Accounting System (CIGAS) has been further developed enabling non-financial assets are recorded in the Financial Statements, starting from the year 2015.

Statement of Responsibility

These Financial Statements have been prepared in keeping with the provisions of the Article 149 and 150 of the Constitution of Democratic Socialist Republic of Sri Lanka, Public Financial Management Act No. 44 of 2024 and National Audit Act No. 19 of 2018. The Financial Statements are in compliance with Generally Accepted Accounting Principles and relevant Treasury Circulars and Guidelines, whereas most appropriate accounting policies are used as disclosed in the Notes to the Financial Statements.

The General Treasury is responsible for establishing and maintaining a system of internal control to provide reasonable assurance that the transactions are effected within statutory authority and use of allocations provided by Appropriation Act or any other Law are properly recorded.

The accompanying "Statement of Accounting Policies" and "Notes to the Financial Statements" form an integral part of these Financial Statements. The designated authority in preparation and presentation of these Financial Statements is Department of State Accounts.



W.A. Samantha Upananda
Director General
Department of State Accounts

Dr. Harshana Suriyapperuma
Secretary, Ministry of Finance, Planning and Economic Development, and Secretary to the Treasury

General Treasury
Colombo – 01
16 March, 2026

Democratic Socialist Republic of Sri Lanka

Statement of Financial Performance

for the Year Ended 31st December 2025

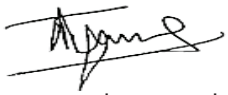
	Notes	2025 Rs.	Restated 2024 Rs.
Revenue from Non-Exchange Transactions			
Tax on Domestic Goods & Services	1	3,187,770,593,700	2,193,551,276,468
Tax on International Trade	2	715,890,499,809	481,277,760,408
Tax on Income	3	1,139,373,084,157	1,026,198,562,675
Fines & Forfeits	4	9,930,452,171	10,708,177,994
Grants	5	36,149,598,273	59,968,730,784
Exchange Gain / (Loss)	6	(831,427,841,770)	1,696,660,364,604
		4,257,686,386,340	**5,468,364,872,933**
Revenue from Exchange Transactions	7	427,058,877,495	349,671,549,400
		427,058,877,495	**349,671,549,400**
Other Revenue	8	**3,587,266,556**	**1,110,150,162**
Total Revenue		**4,688,332,530,391**	**5,819,146,572,494**
Expenses			
Employee Cost	9	792,719,063,017	728,637,059,726
Other Goods and Services	10	544,844,394,193	512,998,335,850
Subsidies, Grants and Transfers	11	1,656,413,847,260	1,551,780,318,606
Finance Costs	12	2,503,086,140,520	2,715,276,291,398
Other Recurrent Expenditure	13	244,745,753,434	202,452,733,785
		5,741,809,198,424	**5,711,144,739,366**
Excess / (Deficit) for the Period		**(1,053,476,668,033)**	**108,001,833,128**

Democratic Socialist Republic of Sri Lanka

Statement of Financial Position
As at 31st December 2025

	Notes	2025	Restated 2024
		Rs.	Rs.
Assets			
Property, Plant and Equipment	14	5,078,666,604,213	4,563,166,869,835
Investment on Public Infrastructure Development	15	125,619,518,303	105,730,725,413
Membership Fees	16	2,900,368,322	2,900,368,322
Capital Contributions to State Owned Enterprises	17	2,679,245,983,701	2,493,231,765,866
Stamps Stock Account		2,055,801,613	2,003,464,229
Rent and Work Advance	18	1,790,427,121	1,260,896,738
Advances to Government Departments	19	16,631,895,427	16,761,960,629
On-Lending	20	234,139,598,892	195,004,063,429
Advances to Public Officers	21	37,850,074,656	32,459,591,739
Cash & Cash Equivalents	22	1,130,299,030,166	946,691,700,543
Sundry Accounts	27	20,513,119,801	21,752,466,301
Accounts Operating with Government Departments	28	444,886,547,367	612,430,025,523
Total Assets		**9,774,598,969,583**	**8,993,393,898,567**
Statutory and Other Funds			
Contingency Fund		500,000,000	500,000,000
Foreign Loan Adjustment Accounts	23	53,601,679,659	58,025,907,098
Miscellaneous Funds	24	4,500,882,666	3,788,102,959
General Fund	25	(21,778,882,720,966)	(20,954,898,861,212)
Total Funds		**(21,720,280,158,641)**	**(20,892,584,851,155)**
Liabilities			
Government Borrowings	26	31,111,050,173,659	29,627,609,630,786
Sundry Accounts	27	122,606,023	125,925,548
Accounts Operating with Government Departments	28	63,831,653,149	47,722,431,484
Deposits	29	127,125,736,064	105,243,946,916
Bank Overdrafts	22	192,748,959,330	105,276,814,988
Total Liabilities		**31,494,879,128,225**	**29,885,978,749,722**
Total Funds and Liabilities		**9,774,598,969,583**	**8,993,393,898,567**

The Financial Statements are in compliance with Generally Accepted Accounting Principles and relevant Treasury Circulars, whereas most appropriate accounting policies are used as disclosed in the Notes to the Financial Statements.



W.A. Samantha Upananda
Director General
Department of State Accounts

Dr. Harshana Suriyapperuma
Secretary, Ministry of Finance, Planning and Economic Development

Democratic Socialist Republic of Sri Lanka

Statement of Cash Flow
for the Year Ended 31st December 2025

	Actual 2025 Rs.	Restated Actual 2024 Rs.
Cash Flow from Operating Activities		
Tax Receipts	5,043,034,177,666	3,701,027,599,551
Fees, Fines, Penalties and Licenses	106,367,702,983	96,442,457,759
Profits	47,332,367,849	33,190,901,922
Other Receipts	202,050,063,968	165,093,217,383
Accounts Operating with Government Departments	183,652,699,821	46,385,337,151
Advances to Government Departments	130,065,202	56,532,197
Deposits	21,881,789,148	10,831,270,233
Sundry Accounts	1,236,026,975	-
Total Cash Flow from Operating Activities (a)	**5,605,684,893,611**	**4,053,027,316,195**
Less - Cash Disbursed for:		
Personal Emoluments & Operating Payments	1,582,309,210,644	1,444,088,129,361
Subsidies & Transfer Payments	1,656,413,847,260	1,551,780,318,606
Finance Costs	2,503,086,140,520	2,715,276,291,398
Advances to Government Departments	-	259,741,595
Deposits	-	-
Stamps Stock Account	52,337,384	-
Accounts Operating with Government Departments	-	-
Advances to Public Officers	5,390,482,917	1,547,850,013
Sundry Accounts	-	2,482,336,601
Total Cash Disbursed for Operating Activities (b)	**5,747,252,018,724**	**5,715,434,667,574**
NET CASH FLOWS FROM OPERATING ACTIVITIES (c)=(a)-(b)	**(141,567,125,113)**	**(1,662,407,351,379)**
Cash Flows from Investing Activities		
Interest	72,028,384,571	57,763,627,787
Dividends	9,210,810,294	7,889,522,543
Divestiture Proceeds & Sale of Physical Assets	3,587,266,556	1,110,150,162
Recoveries from On Lending	23,188,712,190	27,841,380,590
Total Cash flow from Investing Activities (d)	**108,015,173,612**	**94,604,681,081**
Less - Cash disbursed for:		
Purchase and Construction of Non-Financial Assets	375,125,602,547	340,509,693,267
Acquisition of Financial Assets	142,010,951,858	109,944,568,369
Investment on Public Infrastructure Development	19,888,792,890	26,003,014,955
Total Cash Disbursed for Investing Activities (e)	**537,025,347,294**	**476,457,276,590**
NET CASH FLOW FROM INVESTING ACTIVITIES (f)=(d) - (e)	**(429,010,173,683)**	**(381,852,595,509)**
NET CASH FLOW FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	**(570,577,298,796)**	**(2,044,259,946,888)**
Cash Flow from Financing Activities		
Local Borrowings	1,480,585,470,000	2,853,612,273,223
Foreign Borrowings	566,890,093,039	3,967,308,481,863
Grants Received	36,149,598,273	59,968,730,784
Miscellaneous Funds	712,779,707	542,556,632
Foreign Loan Adjustment Accounts	1,490,977,111	-
Total Cash flow from Financing Activities (h)	**2,085,828,918,130**	**6,881,432,042,502**
Less - Cash disbursed for:		
Repayment of Local Borrowings	994,634,890,523	984,762,291,729
Repayment of Foreign Borrowings	424,481,543,530	3,634,067,681,728
Foreign Loan Adjustment Accounts	-	3,225,652,117
Advance from the Central Bank	-	-
Total Cash Disbursed for Financing Activities (i)	**1,419,116,434,052**	**4,622,055,625,574**
NET CASH FLOW FROM FINANCING ACTIVITIES (j)=(h) - (i)	**666,712,484,077**	**2,259,376,416,927**
Net Movement in Cash (k)=(g) + (j)	**96,135,185,282**	**215,116,470,040**
Opening Cash Balance as at 01st January	**841,414,885,555**	**626,298,415,515**
Closing Cash Balance as at 31st December	**937,550,070,837**	**841,414,885,555**

Democratic Socialist Republic of Sri Lanka

Statement of Changes in Net Assets / Equity

for the Year Ended 31st December 2025

Rs.

Description	Attributable to Government Entities				Total Net Assets / Equity
	General Fund	Contingency Fund	Foreign Loan Adjustment Accounts	Miscellaneous Funds	
Balance as at 31st December 2023	(22,780,506,141,177)	500,000,000	57,388,881,470	3,245,546,327	(22,719,371,713,381)
Changes in Net Assets/ Equity for 2024					
Net Change in General Fund	1,829,469,957,711				1,829,469,957,711
Net Change in Contingency Fund		-			
Net Change in Foreign Loan Adjustment Accounts			(3,225,652,116)		(3,225,652,116)
Net Change in Miscellaneous Funds				542,556,632	542,556,632
Balance as at 31st December 2024	**(20,951,036,183,468)**	**500,000,000**	**54,163,229,354**	**3,788,102,959**	**(20,892,584,851,154)**
Prior Year Adjustment - Exchange Loss	**(3,862,677,744)**		**3,862,677,744**		**-**
Adjusted Balance as at 31st December 2024	**(20,954,898,861,213)**	**500,000,000**	**58,025,907,098**	**3,788,102,959**	**(20,892,584,851,154)**
Deficit for the Period	(1,053,476,668,033)				**(1,053,476,668,033)**
Impact on Borrowings	(14,000,877,143)				**(14,000,877,143)**
Impact on Assets	243,493,685,421				**243,493,685,421**
Net Change in Contingency Fund					-
Net Change in Foreign Loan Adjustment Accounts			(4,424,227,439)		(4,424,227,439)
Net Change in Miscellaneous Funds				712,779,707	712,779,707
Balance as at 31st December 2025	**(21,778,882,720,968)**	**500,000,000**	**53,601,679,659**	**4,500,882,666**	**(21,720,280,158,641)**

Significant Accounting Policies

01. Reporting Entity

These Financial Statements of the Government encompass the Reporting Entity of the Government comprising of Government Ministries, Departments, Special Spending Units and District Secretariats. However, Commercial Public Corporations, State Owned Enterprises and Government Owned Companies or other Companies and Statutory Boards, are not covered in these Financial Statements. Cash outflows from Government to those entities taken place during the reporting period and the Government's total interest in the Commercial Public Corporations, State Owned Enterprises and Government owned Companies or other Companies held in the form of equity and loans are taken into consideration. The Revenue and Expenditure of Provincial Councils are not considered as a part of these Financial Statements, since there is no significant control by the Government over the financial and operating activities of Provincial Councils.

The Financial Statements of the Government for the year ended 31 December 2025 were authorized for issue by the Department of State Accounts.

02. Basis of Preparation

These Financial Statements have been prepared on the historical cost convention in conformity with Generally Accepted Accounting Principles. Historical cost basis has been adopted for measurement while adopting modified cash based accounting for reporting.

The Cash Flow Statement is prepared using the direct method.

All financial information presented in Sri Lankan Rupees has been rounded to the nearest rupee, except where indicated otherwise.

03. Reporting Period

The reporting period of these Financial Statements is from 1st of January 2025 to 31st December 2025.

04. Change in Presentation Formats of Financial Statements

Presentation formats of Government Financial Statements from the year 2023 has been changed in order to improve fair presentation. New presentation formats are prepared to serve financial reporting requirements, Constitutional requirements and reporting budget performance. Reconciliations have provided where necessary and comparative figures have restated as applicable.

Presentation formats for Ministries, Departments, Special Spending Units and District Secretariats remain unchanged for the year 2025.

05. Basis of Consolidation

Expenditure incurred and revenue collected under revenue codes specified in the budget classification by respective Ministries and Departments in the form of financial assets, liabilities, revenue and expenditure are reported using same classification codes for preparation of consolidated accounts.

06. Revenue

The Government provides non-income generating goods, services and benefits to the general public. The revenue is raised by way of taxes, levies, fees and charges imposed under various statutes approved by Parliament to finance the expenditure incurred on provision of such goods, services and benefits. All revenue, so collected through relevant Ministries and Departments are identified and accounted at the time of collection. Investment income is accounted for the period during which such income is actually collected.

07. Premiums and Discounts

Premiums and discounts on issue of debt instruments are adjusted against the cost of borrowings.

08. Expenses

All expenses are accounted in the period in which payments have been made.

09. Foreign Currency Transactions

Foreign Currency Transactions are converted into Sri Lanka Rupees using the exchange rate prevailed on the date of the transaction. Exchange differences arising from the settlement of these transactions are duly accounted through corresponding main ledger accounts.

Net foreign exchange gain / loss generated in conversion of foreign loan balances, local loan balances in foreign currency and balances of on-lending to local currency has adjusted to the Statement of Financial performance.

10. Investments

Value of the Government's equity investments in State Owned Enterprises is recorded at cost and shown separately in the Financial Statements. However, investments in Statutory Boards are not separately identified and disclosed since such entities are relying on the Government for their recurrent and capital expenditure requirements similar to those of the other Government Departments.

11. Borrowings

In the Statement of Financial Position, all local borrowings are recorded at cost. Since foreign borrowings are subject to change in exchange rates, foreign monetary liabilities are converted to Sri Lanka Rupees using exchange rates prevailed at the end of the reporting period. Statement of individual loan details are shown in the Note – 26(I), 26(II), 26(III), 26(iv) and 26(v).

Details on project loans restructured during the year 2025 are stated in Note – 26(ii).

12. Employee Entitlements

Employee entitlements to salaries and wages, pre-retirement leave and other similar benefits have been recorded when they actually accrue to or utilized by the employees. Retired Government employee entitlements for pension payments are also recorded on the same basis.

13. Contingent Liabilities & Commitments

Contingent Liabilities and Commitments are recorded at the point of contingency or commitment is evident. Rs. 1,080,182,693,483 was recorded in 2025 and Rs. 1,454,254,752,096 was recorded in 2024. (Schedule I)

14. Comparatives

To ensure consistency with the current period and classification method adopted in making a fair presentation of financial information, comparative figures have been restated where appropriate.

15. Cash & Cash Equivalents / Bank Overdrafts

The Cash & Cash Equivalents comprises of all favorable balances and bank overdrafts comprises all unfavorable balances which include cash book balances for the bank accounts operated in the name of the Deputy Secretary to the Treasury, sum of unsettled imprest balances of Ministries and Departments which are treated as cash in transit and rupee equivalent amount of all foreign currency bank accounts balances as at end of the reporting period. When there is an Over Draft, it is considered for the Borrowing Limit of the respective year.

16. Non-Financial Assets

All non-financial assets i.e. Property, Plant and Equipment is recognized at cost or grant value. The cost includes expenditure that is directly attributable to the acquisition of the items.

In a situation, where an assets is acquired in a non-exchange transaction on free of charge or nominal consideration, the asset is initially measured at its grant value or cost. The corresponding credit is recognized as income in the statements of Financial Performance unless there are conditions on the assets' use.

Capital work in progress includes cost of buildings under development as at the Balance Sheet date.

The Government derecognizes items of

Property, Plant and Equipment upon disposal.

The sales proceeds received upon disposal of non-financial assets is recognized as revenue.

17. Leases

The Government as a lessee, finance lease are leases that transfer substantially all the risk and benefits incidental to ownership of the leased asset to the Government. Assets held under a finance lease are capitalized at the commencement of the lease at the value of the leased asset. The Government also recognizes the associated lease liability at the inception of the lease.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Government. Operating lease made during the year are recognized as an operating expense in the Financial Performance Statement on cash basis over the lease term.

18. Intangible Assets

Intangible assets which are acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is considered at their cost or grant value at the date of exchange and subsequently such intangible assets are carried at cost.

19. Advances

Advances consist of advances to Public Officers of the Government and provincial councils and to Government Departments through the treasury authorized advance account which is recognized on cash basis.

20. Sundry Accounts

Sundry Accounts consist of main ledger accounts operated for special purposes.

21. Prior Year Adjustment

During the current financial year, an exchange loss amounting to Rs. 3,862,677,744 relating to the financial year ended 31 December 2024 in respect of Foreign Loan Adjustment Accounts, was identified as having not been recognized in the financial statements of that year. Accordingly, the error has been corrected retrospectively.

As a result, the comparative figures for the year ended 31 December 2024 have been restated, and the opening balance of retained earnings as at 1 January 2025 has been reduced by Rs. 3,862,677,744.

The impact of the correction is summarized below;

Description	Amount (Rs.)
Decrease in exchange gain for 2024	3,862,677,744
Decrease in profit for the year 2024	3,862,677,744
Decrease in General Fund as at 1 January 2025	3,862,677,744

The above correction has no impact on the cash flows.

Time of Recording and Measurement for Presenting the Financial Statements of Government

Statement of Financial Performance

Accounting Caption	Presented	Time of Recording	Measurement
Revenue (for current and past years)	Yes	Cash Accounting	Historical Cost Method
Expenditure (for current and past year)	Yes	Cash Accounting	Historical Cost Method
Surplus or Deficit (for current and past year)	Yes	Cash Accounting	Historical Cost Method
Depreciation	N/A	N/A	N/A

Statement of Financial Position

Accounting Caption	Presented	Time of Recording	Measurement
Property, Plant and Equipment	Yes	Modify Cash	Historical Cost Method
Investment Property	N/A	N/A	N/A
Intangible Assets	Yes	Modify Cash	Historical Cost Method
Financial Assets	Yes	Modify Cash	Historical Cost Method
Investment Recognized Using the Equity Method	Yes	Modify Cash	Historical Cost Method
Recoverable	N/A	N/A	N/A
Cash & Cash Equivalents	Yes	Cash Accounting	Historical Cost Method
Financial Liabilities	Yes	Modify Cash	Historical Cost Method
Provisions	N/A	N/A	N/A
Contingent Liabilities	N/A	N/A	N/A
Net Asset/Equity	Yes	Modify Cash	Historical Cost Method

Notes to the Financial Statements
for the Year Ended 31st December 2025

		Sub Note	2025	Restated 2024
			Rs.	Rs.
1	**Tax on Domestic Goods & Services**			
	Value Added Tax	1.1	1,746,874,446,361	1,309,679,826,747
	Excise (Special Provisions) Duty	1.2	825,619,702,180	383,945,271,639
	Excise (Ordinance) Duty	1.3	231,541,851,691	213,389,597,989
	Nation Building Tax	1.4	488,116,174	137,242,041
	Levies	1.5	311,773,546,834	269,204,793,580
	Licence Taxes and Other	1.6	69,848,431,521	15,956,994,909
	Goods and Services Tax	1.7	-	28
	Other Taxes	1.8	1,624,498,937	1,237,549,536
			3,187,770,593,700	**2,193,551,276,468**
2	**Tax on International Trade**			
	Levies	2.1	435,824,284,096	366,341,830,722
	Import & Export Duties	2.2	275,912,211,873	111,173,346,317
	Import & Export Licences Fees	2.3	4,154,003,841	3,762,583,369
			715,890,499,809	**481,277,760,408**
3	**Tax on Income**			
	Income Tax	3.1	668,209,003,077	579,176,493,741
	Economic Service Charge	3.2	24,826,578	245,065,199
	Withholding Tax	3.3	175,792,470,660	163,789,686,013
	PAYE	3.4	201,119,933,741	197,571,502,708
	Dividend Tax	3.5	19,232,827	32,955,997
	Remittance Tax	3.6	1,416,268,080	3,075,035,288
	Capital Gain Tax	3.7	8,020,679,561	1,853,674,690
	Tax on Voluntary Disclosure	3.8	1,489,775	1,391,051
	Other	3.9	84,769,179,857	80,452,757,987
			1,139,373,084,157	**1,026,198,562,675**
4	**Fines & Forefeits**			
	Fines and Forfeits - Customs	4.1	5,414,646,405	8,023,524,418
	Fines and Forfeits - Other	4.2	4,515,805,766	2,684,653,576
			9,930,452,171	**10,708,177,994**
5	**Grants**			
	Grants Received in the form of Cash for Projects		5,569,841,518	5,961,939,354
	Grant Received through Special Foreign Currency Accounts		1,784,400,654	7,942,172,625
	Grants Received in Materials & Equipments		18,241,021,131	41,898,991,099
	Direct Payments		10,367,772,432	4,038,501,683
	Foreign Grants	5.1	35,963,035,735	59,841,604,762
	Domestic Grants	5.2	186,562,538	127,126,022
			36,149,598,273	**59,968,730,784**

Donor	Actual 2025 Rs.	Restated 2024 Rs.
5.1 FOREIGN GRANTS		
Grants Received in the form of Cash for Projects		
Asian Development Bank (ADB)	3,753,637	415,763
The Government of Japan (JICA)	2,638,013	7,934,659
International Labour Organization (ILO)	16,451	-
United States Agency for International Development (USAID)	18,979,828	91,306,955
United Nations Industrial Development Organization (UNIDO)	425,108	31,450
United Kingdom (UK)	115,012,007	103,872,589
United Nations Development Programme (UNDP)	1,163,632,655	1,878,511,309
United Nations Educational, Scientific Cultural Organization (UNESCO)	16,409,935	6,004,089
United Nations Fund for Population (UNFPA)	57,368,981	37,188,688
United Nations Children's Fund (UNICEF)	360,249,647	532,664,014
World Health Organization (WHO)	187,460,686	144,193,475
World Food Programme (WFP)	625,285,928	722,318,157
World Bank (WB)	286,197,207	320,367,951
United Nations Environment Programme (UNEP)	13,427,960	24,809,515
South Asian Association for Regional Cooperation (SAARC)	8,086,533	50,880,445
Food and Agricultural Organization (FAO)	60,888,171	34,211,335
Government of Korea	965,872,188	1,089,481,474
Government of Norway (NORAD)	4,578,720	8,076,091
Government of China	44,559,870	54,748,500
Universal Postal Union Head Office	-	32,474
Commonwealth	150,000	-
International Atomic Energy Agency (IAEA)	4,165,002	-
Switzerland (Swiss Confederation)	8,741,768	9,291,988
Australia	2,191,830	5,262,558
South Asia Co-operative Environment Programme (SACEP)	-	41,535,995
Green Climate Fund (GCF)	494,000,000	410,927,650
German	6,000	17,666,231
European Union (EU)	13,250,318	-
INDIA	1,075,825,295	216,151,185
APO	36,667,781	36,239,082
IOM	-	20,916,444
Pakistan	-	57,696,384
IUATLD	-	39,202,616
UNHCR	-	289
Total (a)	**5,569,841,518**	**5,961,939,354**
Grants Received through Special Foreign Currency Accounts		
International Development Association (IDA)	1,259,785,281	7,087,198,996
Asian Development Bank (ADB)	524,615,374	854,973,630
Total (b)	**1,784,400,654**	**7,942,172,625**
Grants Received in Materials & Equipments		
The Government of Japan (JICA)	989,665,835	10,743,301,600
World Food Programme (WFP)	139,667,883	1,417,499,063

Donor	Actual	
	2025	Restated 2024
	Rs.	Rs.
United States Department of Agriculture USDA (USA)	3,563,204,191	1,841,223,790
Government of China	5,615,618,031	14,140,383,639
Government of German (GIZ)	-	1,456,695,197
Australia	1,232,523,227	1,247,282,876
Government of Korea	1,297,643,622	1,693,692,256
Government of India	1,395,180,010	-
United Nations Development Programme (UNDP)	11,739,700	-
Netherland	-	3,428,490,915
United States Agency for International Development(USAID)	3,295,547,181	4,540,955,870
IAEA	74,558,918	750,145,169
UNODC	26,240,101	15,421,415
UNFPA	3,898,000	79,671,240
New Zealand	24,500,000	18,130,195
Unicef	-	399,700,000
Asian Development Bank (ADB)	-	71,391,525
Multi Donors	-	35,126,348
EXBS	102,951,541	19,880,000
Germany	175,118,658	-
Netherland	21,500,051	-
European Union	189,013,279	-
IOM	56,901,103	-
others	25,549,800	-
Total (c)	**18,241,021,131**	**41,898,991,099**
Direct Payments		
Government of Japan (JICA)	615,841,618	639,030,567
Government of India	2,382,229,188	1,025,039,084
Government of German (GIZ)	758,606,984	600,000,000
Government of China	3,202,431,379	-
Government of Korea	481,950,939	150,000,000
United States Agency for International Development (USAID)	-	721,180,530
Asian Development Bank (ADB)	20,928,000	7,283,475
WFP	60,739,813	-
Switzerland (Swiss Confederation)	-	128,154,246
Australia	402,060,000	403,837,676
United Nations Development Programme (UNDP)	-	11,948,194
EU	22,858,210	1,906,951
PARTNER	-	350,120,960
Netherland	2,420,126,301	-
Total (d)	**10,367,772,432**	**4,038,501,683**
Grand Total = (a)+(b)+(c)+(d)	**35,963,035,735**	**59,841,604,762**

Donor	Actual 2025 Rs.	Restated 2024 Rs.
5.2 DOMESTIC GRANTS		
Domestic Grants Received in the Form of Cash for Projects		
Donation to 1990 Suwasariya Foundation	41,400,000	108,750,000
Grants from Central Cultural Project	84,709,086	18,376,022
Colombo Port Expansion Project	18,197,358	-
Digiecon 2030 (Digital Economy 2030)	16,600,000	-
Bandarawela Church hill Prehistoric site Rescue Excavation Project	2,066,508	-
Aqua Planet Sri Lanka - 2025 International Exhibition	23,589,586	-
Total	**186,562,538**	**127,126,022**

Notes to the Financial Statements
for the Year Ended 31st December 2025

Sub Note		Revenue Code	2025 Rs.	Restated 2024 Rs.
1.1	**Value Added Tax**			
	Financial Services	1002.01.01	198,247,229,373	120,393,649,236
	Other Services	1002.01.02	377,287,189,190	352,861,218,004
	Manufacturing	1002.01.03	279,950,209,034	238,932,076,102
	Imports	1002.01.04	891,389,818,764	597,492,883,404
	Value Added Tax	**1002.01.00**	**1,746,874,446,361**	**1,309,679,826,747**
1.2	**Excise (Special Provisions) Duty**			
	Cigarettes	1002.05.01	101,173,161,499	117,144,648,636
	Liquor	1002.05.02	5,675	-
	Petroleum Products	1002.05.03	240,575,016,407	200,199,836,091
	Motor Vehicles	1002.05.04	471,751,393,258	58,561,756,429
	Other	1002.05.99	12,120,125,341	8,039,030,483
	Excise (Special Provisions) Duty	**1002.05.00**	**825,619,702,180**	**383,945,271,639**
1.3	**Excise (Ordinance) Duty**			
	Liquor	1002.04.01	231,541,851,691	213,389,597,989
	Excise (Ordinance) Duty	**1002.04.00**	**231,541,851,691**	**213,389,597,989**
1.4	**Nation Building Tax**			
	Services	1002.12.01	76,978,055	97,897,128
	Manufacturing	1002.12.02	3,701,586	31,755,207
	Imports	1002.12.03	407,436,533	7,589,706
	Nation Building Tax	**1002.12.00**	**488,116,174**	**137,242,041**
1.5	**Levies**			
	Telephone Subscribers Levy	**1002.11.00**	**15,126,973,500**	**15,927,326,277**
	Teledramas, Films and Commercials Levy	**1002.13.00**	**98,719,800**	**123,750,000**
	Cellular Tower Levy	**1002.14.00**	**1,633,487,634**	**1,685,680,675**
	SMS Advertising Levy	**1002.15.00**	**394,186,867**	**598,153,711**
	Services	1002.03.01	22,328	1,159,778
	Manufacturing	1002.03.02	650,000	-
	National Security Levy	**1002.03.00**	**672,328**	**1,159,778**
	Services	1002.16.01	143,532,078,905	121,505,412,941
	Manufacturing	1002.16.02	78,373,722,276	64,971,136,298
	Imports	1002.16.03	72,613,705,524	64,392,173,901
	Social Security Contribution Levy		**294,519,506,705**	**250,868,723,139**
			311,773,546,834	**269,204,793,580**
1.6	**Licence Taxes and Other**			
	Luxury Motor Vehicle Tax	1003.01.00	52,151,151,397	3,011,256,714
	Betting & Gaming Levy	1003.03.00	10,241,921,832	9,814,824,181
	Share Transaction Levy	1003.04.00	7,455,358,291	3,130,914,014
	Licence Taxes and Other		**69,848,431,521**	**15,956,994,909**

Sub Note		Revenue Code	2025 Rs.	Restated 2024 Rs.
1.7	**Goods and Services Tax**			
	Imports	1002.02.03	-	28
	Goods and Services Tax	1002.02.00	-	**28**
1.8	**Other Taxes**			
	Tobacco Tax	1002.06.00	1,545,090,769	1,193,923,369
	Turnover Tax	1002.09.00	10,472,428	9,021,097
	Migrating Tax	1003.10.00	67,044,767	33,981,314
	Remittance Fee	1003.11.00	1,890,973	623,756
			1,624,498,937	**1,237,549,536**
2.1	**Levies**			
	Ports & Airports Development Levy	1001.04.00	180,852,839,552	170,013,996,256
	Import Cess Levy	1001.05.01	88,728,423,922	79,133,032,048
	Export Cess Levy	1001.05.02	1,644,147,400	1,995,468,486
	Motor Vehicle Concessionary Levy	1001.06.00	150,264	-
	Special Commodity Levy	1001.08.00	164,598,722,958	115,199,333,932
			435,824,284,096	**366,341,830,722**
2.2	**Import & Export Duties**			
	Import Duties	1001.01.00	275,894,024,151	111,146,555,476
	Export Duties	1001.02.00	18,187,722	26,790,841
			275,912,211,873	**111,173,346,317**
2.3	**Import & Export Licences Fees**			
	Import & Export Licences Fees	1001.03.00	4,154,003,841	3,762,583,369
			4,154,003,841	**3,762,583,369**
3.1	**Income Tax**			
	Income Tax	1004.01.01	668,209,003,077	579,176,493,741
			668,209,003,077	**579,176,493,741**
3.2	**Economic Service Charge**			
	Domestic	1004.04.01	24,822,911	44,037,053
	Imports	1004.04.02	3,668	201,028,146
	Economic Service Charge	1004.04.00	**24,826,578**	**245,065,199**
3.3	**Withholding Tax**			
	On Interest	1004.03.01	71,620,504,266	66,141,774,662
	On Fees & Other	1004.03.99	104,171,966,394	97,647,911,351
	Withholding Tax	1004.03.00	**175,792,470,660**	**163,789,686,013**
3.4	**Pay As You Earn (PAYE)**			
	PAYE	1004.02.01	201,119,933,741	197,571,502,708
			201,119,933,741	**197,571,502,708**
3.5	**Dividend Tax**			
	Dividend Tax	1004.01.02	19,232,827	32,955,997
			19,232,827	**32,955,997**

Sub Note		Revenue Code	2025 Rs.	Restated 2024 Rs.
3.6	**Remittance Tax**			
	Remittance Tax	1004.0103	1,416,268,080	3,075,035,288
			1,416,268,080	**3,075,035,288**
3.7	**Capital Gain Tax**			
	Capital Gain Tax	1004.05.00	8,020,679,561	1,853,674,690
			8,020,679,561	**1,853,674,690**
3.8	**Other**			
	Tax on Voluntary Disclosure	1004.06.00	1,489,775	1,391,051
			1,489,775	**1,391,051**
3.9	**Other**			
	Other	1004.02.99	84,769,179,857	80,452,757,987
			84,769,179,857	**80,452,757,987**
4.1	**Fines and Forfeits - Customs**			
	Fines and Forfeits - Customs	2003.03.01	5,414,646,405	8,023,524,418
			5,414,646,405	**8,023,524,418**
4.2	**Fines and Forfeits - Other**			
	Fines and Forfeits - Other	2003.03.02	4,515,805,766	2,684,653,576
			4,515,805,766	**2,684,653,576**
	Grants			
5.1	Foreign Grants	30010100	35,963,035,735	59,841,604,762
5.2	Domestic Grants	300102.00	186,562,538	127,126,022
			36,149,598,273	**59,968,730,784**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		2025 Rs.	Restated 2024 Rs.
6	**Exchange Gain / (Loss)**		
	Term Loan - Boc (9220)	(27,539,355,063)	21,250,149,694
	Term Loan - People's Bank (9218)	(9,510,793,886)	7,338,799,087
	Foreign (Projects) (8343)	(573,007,608,931)	881,465,699,898
	Foreign Currency Term Financing Facility (9190)	(45,604,002,371)	80,070,479,177
	International Sovereign Bond (9194)	(180,727,277,659)	716,408,425,170
	Foreign Currency Banking Units (Projects) (9196)	(761,571,090)	1,267,597,754
	On-Lending - (9116)	3,584,701,524	(8,808,287,286)
	Net Borrowings through Foreign Currency Banking Unit (Non Project) - (9107)	-	1,792,242,000
	Foreign Currency Denominated Investments - (8548)	152,788,900	(262,063,145)
	Domestic Dollar Bond Investment Account (9226)	(67,250,000)	-
	Reimbursable Foreign Aid Adjustment Account (8760)	41,502,462	(41,109,400)
	IDA Adjustment Account (8814)	472,042,050	(1,983,811,316)
	ADB Special Dolor Adjustment Account (8919)	1,038,820,169	(1,327,957,657)
	CBSL Special Dollar Account (International Fund for Agr. Dev. Adjustment Account) (8974)	178,199,325	(118,777,840)
	CBSL Adjustment Account (Yen) - (9095)	-	31,124,058
	Special Foreign Currency Adjustment Account (9126)	2,269	(90,377)
	Adjustment Account for Asian Infrastructures Investment Bank (9201)	321,960,531	(422,055,212)
		(831,427,841,770)	**1,696,660,364,604**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		Sub Note	2025	Restated 2024
			Rs.	Rs.
7	**Revenue from Exchange Transactions**			
	Administrative Fees & Charges	7.1	136,325,375,989	114,134,827,218
	Profits	7.2	47,332,367,849	33,190,901,922
	Social Security Contributions	7.3	58,793,794,249	43,088,901,684
	Current Transfers	7.4	7,118,233,101	5,822,902,742
	Service Revenue	7.5	30,920,581,020	31,337,185,439
	Interest	7.6	72,028,384,571	57,763,627,787
	Rent	7.7	7,843,447,888	6,428,066,074
	Dividends	7.8	9,210,810,294	7,889,522,543
	Revenue from the United Nations' Peacekeeping Operations	7.9	1,498,096,454	3,116,892,806
	Government Paddy Purchasing Programme	7.10	68,273,002	86,430,015
	Treasury Bonds Premium	7.11	15,150,679,352	13,461,749,333
	Departmental Sales	7.12	196,582,916	201,147,768
	Revenue from Sale of Hydropower	7.13	1,871,714,601	3,927,236,127
	Public Officer's Motor Cycle Premium	7.14	(45,080)	333,509
	Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court	7.15	7,423,378	4,650,979
	Other Receipts	7.16	32,483,442,793	25,672,484,075
	Other Licenses	7.17	6,150,056,565	3,544,689,378
	Revenue from Maritime Security Operations	7.18	59,658,553	-
			427,058,877,495	**349,671,549,400**
8	**Other Revenue**			
	Sale of Assets	8.1	3,587,266,556	1,110,150,162
			3,587,266,556	**1,110,150,162**

Notes to the Financial Statements
for the Year Ended 31st December 2025

Sub Note		Revenue Code	2025 Rs.	Restated 2024 Rs.
7.1	**Administrative Fees & Charges**			
	Audit Fees	2003.02.01	350,169,001	413,597,899
	Fees Under Registration of Persons	2003.02.03	1,404,185,309	1,263,219,496
	Fees of Department of Survey	2003.02.04	426,253,577	422,323,377
	Service Charges of Government Press	2003.02.05	1,574,615,908	2,099,114,278
	Fees Under the Fauna & Flora Protection Ordinance	2003.02.06	68,895,883	61,549,390
	Fees of Passports, Visas & Dual Citizenship	2003.02.07	44,882,332,366	38,011,663,800
	Embarkation Levy	2003.02.08	53,476,861,627	38,311,806,768
	Fees of Department of Valuation	2003.02.09	265,654,059	414,063,725
	Fees of Registrar of Companies	2003.02.10	260,957,775	217,480,931
	Legal Fees from Corporations & Statutory Bodies	2003.02.11	238,757,152	183,403,504
	Fees Recovered Under the Public Contract Act	2003.02.12	84,710,000	62,430,000
	Examinations & Other Fees	2003.02.13	394,887,099	184,822,080
	Fees Under the Motor Traffic Act & Other Receipts	2003.02.14	20,300,647,495	14,464,034,455
	Registration Fees on Motor Vehicle Transfers Under the Issuing Motor Vehicle Permits on Concessionary	2003.02.15	17,636,743	27,904,424
	Aircraft Rentals	2003.02.16	26,030,914	81,514,309
	Fee on Local Sale of Garments	2003.02.17	102,698,517	121,416,728
	Fees Relevant to the Department of Agriculture	2003.02.18	1,010,384,109	926,148,764
	Fees Relevant to the Botanical Gardens	2003.02.19	1,393,554,057	1,366,415,878
	Fees Relevant to the Ministry of Petroleum Industries	2003.02.21	2,137,599,304	3,158,283,029
	Merchant Shipping Secretariat Fees	2003.02.22	215,198,244	224,984,808
	Casino License Fees	2003.02.23	-	5,100,000,000
	Sundries	2003.02.99	7,693,346,851	7,018,649,574
	Administrative Fees & Charges	**2003.02.00**	**136,325,375,989**	**114,134,827,218**
7.2	**Profits**			
	Profits	2002.03.00	47,332,367,849	33,190,901,922
			47,332,367,849	**33,190,901,922**
7.3	**Social Security Contributions**			
	Central Government	2004.01.00	36,286,077,947	27,012,731,240
	Provincial Councils	2004.02.00	22,507,716,301	16,076,170,444
	Social Security Contributions	**2004.01.00**	**58,793,794,249**	**43,088,901,684**
7.4	**Current Transfers**			
	National Lotteries Board and Other Transfers	2005.99.00	7,118,233,101	5,822,902,742
	Current Transfers	**2005**	**7,118,233,101**	**5,822,902,742**
7.5	**Service Revenue**			
	Railways	2001.01.00	17,165,992,777	16,468,344,008
	Postal	2001.02.00	13,455,552,475	14,100,680,904
	Stores Advance Accounts (Explosive Items)	2001.03.00	150,000,000	650,000,000
	Prisons Industrial and Agricultural Advance Account	2001.04.00	149,035,767	118,160,528
			30,920,581,020	**31,337,185,439**

Sub Note		Revenue Code	2025 Rs.	Restated 2024 Rs.
7.6	**Interest**			
	On-Lending	2002.02.01	10,190,546,787	9,820,803,204
	Other	2002.02.99	61,837,837,784	47,942,824,584
	Interest	**2002.02.00**	**72,028,384,571**	**57,763,627,787**
7.7	**Rent**			
	Rent on Government Building & Housing	2002.0101	2,213,192,959	1,803,557,794
	Rent on Crown Forests	2002.0102	2,217,544,180	973,578,229
	Rent from Land and Other	2002.0103	272,469,434	148,383,339
	Lease Rental from Regional Plantation Companies	2002.0104	1,994,559,464	2,052,886,284
	Other Rental	2002.0199	1,145,681,850	1,449,660,427
	Rent	**2002.0100**	**7,843,447,888**	**6,428,066,074**
7.8	**Dividends**			
	Dividends	2002.04.00	9,210,810,294	7,889,522,543
			9,210,810,294	**7,889,522,543**
7.9	**Revenue from the United Nations' Peacekeeping Operations**			
	Revenue from the United Nations' Peacekeeping Operations	2003.06.00	1,498,096,454	3,116,892,806
			1,498,096,454	**3,116,892,806**
7.10	**Government Paddy Purchasing Programme**			
	Government Paddy Purchasing Programme	2003.07.00	68,273,002	86,430,015
			68,273,002	**86,430,015**
7.11	**Treasury Bonds Premium**			
	Treasury Bonds Premium	2003.05.00	15,150,679,352	13,461,749,333
			15,150,679,352	**13,461,749,333**
7.12	**Departmental Sales**			
	Departmental Sales	2003.0100	196,582,916	201,147,768
			196,582,916	**201,147,768**
7.13	**Revenue from Sale of Hydropower**			
	Revenue from Sale of Hydropower	2003.08.00	1,871,714,601	3,927,236,127
			1,871,714,601	**3,927,236,127**
7.14	**Public Officer's Motor Cycle Premium**			
	Public Officer's Motor Cycle Premium	2003.04.00	(45,080)	333,509
			(45,080)	**333,509**

Sub Note		Revenue Code	2025 Rs.	Restated 2024 Rs.
7.15	**Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court**			
	Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court	1003.08.00	7,423,378	4,650,979
			7,423,378	**4,650,979**
7.16	**Other Receipts**			
	Other Receipts	2003.99.00	32,483,442,793	25,672,484,075
			32,483,442,793	**25,672,484,075**
7.17	**Other Licenses**			
	Registration Fees Relevant to the Department of Registrar General	1003.07.02	3,179,238,020	2,616,551,539
	Private Timber Transport	1003.07.03	150,494,109	112,137,869
	Tax on Sale of Motor Vehicles	1003.07.04	18,900,878	24,747,500
	License Fees Relevant to the Ministry of Defence	1003.07.05	73,027,342	80,360,013
	License Fees Relevant to the Dept. of Fisheries & Aquatic Resources	1003.07.06	178,114,630	173,842,450
	Vehicle Entitlement Levy	1003.07.10	2,259,715,337	240,333,564
	Debt Repayment Levy	1003.07.11	19,670,278	52,182,756
	Other	1003.07.99	268,987,014	240,709,339
	Carbon Tax	1003.07.09	1,908,957	3,824,348
			6,150,056,565	**3,544,689,378**
7.18	**Revenue from Maritime Security Operations**	2003.09.00	59,658,553	-
			59,658,553	**-**
8.1	Sale of Capital Assets-Vehicle	2006.02.01	2,954,579,743	136,021,462
	Sale of Capital Assets-others	2006.02.02	632,686,814	974,128,700
			3,587,266,556	**1,110,150,162**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		Sub Note	2025 Rs.	Restated 2024 Rs.
9	**EMPLOYEE COST**			
1001	Salaries and Wages		444,272,312,940	344,284,698,342
1003	Other Allowances		276,179,377,511	327,550,693,173
1002	Overtime and Holiday Payments		65,883,119,718	50,688,681,963
2401	Staff Training		4,970,633,455	4,421,722,490
1506	Property Loan Interest to Public Servants		1,413,619,393	1,691,263,759
			792,719,063,017	**728,637,059,726**
10	**OTHER COSTS**			
	Supplies	10.1	340,428,528,775	335,333,396,030
	Services	10.2	100,768,763,980	97,238,357,577
	Maintenance Expenditure	10.3	96,911,263,308	71,708,522,523
	Travelling Expenditure	10.4	6,735,838,131	8,718,059,720
			544,844,394,193	**512,998,335,850**
11	**SUBSIDIES, GRANTS AND TRANSFERS**			
1501	Welfare Programmes		379,734,894,382	337,379,239,839
1507	Grants to Provincial Councils		442,819,480,000	392,952,523,807
1502	Retirement Benefits		445,092,782,398	396,660,153,227
1503	Public Institutions		93,432,094,804	83,007,883,464
1504	Development Subsidies		114,253,981,219	111,665,562,444
1505	Subscriptions and Contributions Fee		3,066,257,037	3,142,935,363
1508	Other		3,443,824,343	125,492,396,210
1509	Public Institutions (Other Operational Expenditure)		27,487,404,652	25,774,568,934
2201	Public Institutions		26,336,203,140	16,105,833,028
2202	Development Assistance		60,188,282,001	35,307,213,240
2203	Contribution to Provincial Councils		57,597,815,653	21,504,900,000
2204	Transfers Abroad		2,402,824,695	2,418,267,774
2205	Capital Grants to Non-Public Institution		558,002,938	368,841,276
			1,656,413,847,260	**1,551,780,318,606**
11.1	**DEVELOPMENT ASSISTANCE**			
2202	Development Assistance		61,939,636,572	35,554,755,249
	Less : Adjustment on Investment on Public Infrastructure Development		1,751,354,571	247,542,009
			60,188,282,001	**35,307,213,240**
11.2	**PUBLIC INSTITUTIONS**			
2201	Public Institutions		26,480,857,962	16,105,833,028
	Less : Adjustment on Investment on Public Infrastructure		144,654,822	-
			26,336,203,140	**16,105,833,028**
12	**FINANCE COSTS**			
1601	Interest on Domestic Debt		1,688,388,723,614	1,685,739,136,663
1602	Interest on Foreign Debt		342,518,239,894	400,416,548,586
1603	Discounts on Treasury Bills and Treasury Bonds		469,767,352,062	603,344,754,276
1406	Interest on Leased Assets		66,188,191	111,944,696
1409	Commitment Fee		2,345,636,759	25,663,907,177
			2,503,086,140,520	**2,715,276,291,398**

		Sub Note	2025 Rs.	Restated 2024 Rs.
13	**OTHER RECURRENT EXPENSES**			
	Other Expenditure under Public Investments	13.1	244,044,608,730	202,290,188,306
1701	Losses and Write off		638,716,843	102,494,851
1703	Implementation of the Official Languages Policy		62,427,861	60,050,628
			244,745,753,434	**202,452,733,785**

Notes to the Financial Statements
for the Year Ended 31st December 2025

Sub Note		Expense Code	2025 Rs.	Restated 2024 Rs.
10.1	**Supplies**			
	Stationery and Office Requisites	1201	7,268,981,091	7,663,852,946
	Fuel	1202	37,903,593,410	60,055,796,295
	Diets and Uniforms	1203	134,379,956,030	112,460,293,055
	Medical Supplies	1204	151,503,392,967	146,821,429,745
	Other	1205	9,372,605,277	8,332,023,989
			340,428,528,775	**335,333,396,030**
10.2	**Services**			
	Transport	1401	8,247,654,951	7,941,491,792
	Postal and Communication	1402	5,189,236,407	4,746,979,888
	Electricity and Water	1403	27,001,934,097	27,951,211,985
	Rents and Local Taxes	1404	8,138,690,847	8,569,884,088
	Cleaning and Janitorial Services	1405	8,633,173,783	6,427,201,084
	Security Services	1407	3,858,984,357	3,297,159,009
	Lease Rental for Vehicles Procured Under Operational Leasing	1408	581,344,507	475,227,914
	Other	1409	39,117,745,030	37,829,201,818
			100,768,763,980	**97,238,357,577**
10.3	**Maintenance Expenditure**			
	Vehicles	1301	6,976,264,897	6,754,070,166
	Plant and Machinery	1302	3,548,177,971	3,364,146,263
	Buildings and Structures	1303	2,874,336,210	2,430,379,804
	Software Maintenance	1304	811,640,000	942,429,920
	Rehabilitation and Improvements of Capital Assets			
	Buildings and Structures	2001	48,945,543,497	29,759,331,257
	Plant, Machinery and Equipment	2002	22,502,063,689	19,562,077,535
	Vehicles	2003	11,253,237,044	8,896,087,577
			96,911,263,308	**71,708,522,523**
10.4	**Travelling Expenditure**			
	Domestic	1101	5,510,855,052	7,309,072,203
	Foreign	1102	1,224,983,079	1,408,987,517
			6,735,838,131	**8,718,059,720**
13.1	**Other Expenditure under Public Investments**			
	Restructuring	2501	2,835,147	2,016,539,823
	Contribution to Provincial Councils	2504	7,508,727,696	8,837,421,136
	Procument Preparedness	2505	13,267,797	11,900,891
	Infrastructure Development	2506	172,504,402,992	98,928,587,393
	Research and Development	2507	9,273,962,939	13,643,715,049
	Other	2509	54,741,412,158	78,852,024,015
			244,044,608,730	**202,290,188,306**

Sub Note		Expense Code	2025 Rs.	Restated 2024 Rs.
13.1.1	**Contribution to Provincial Council**			
	Contribution to Provincial Councils	2504	9,637,402,188	16,741,337,117
	Less : Adjustment on Investment on Public Infrastructure Development		2,128,674,491	7,903,915,981
			7,508,727,696	**8,837,421,136**
13.1.2	**Infrastructure Development**			
	Infrastructure Development	2506	182,852,175,780	116,768,618,748
	Less : Adjustment on Investment on Public Infrastructure Development		10,347,772,788	17,840,031,355
			172,504,402,992	**98,928,587,393**
13.1.3	**Other**			
	Other	2509	58,319,509,241	78,863,549,624
	Less : Adjustment on Investment on Public Infrastructure Development		3,578,097,083	11,525,609
			54,741,412,158	**78,852,024,015**
13.1.4	***Rehabilitation and Improvements of Capital Assets***			
	Buildings and Structures	2001	50,883,782,631	29,759,331,257
	Less : Adjustment on Investment on Public Infrastructure Development		1,938,239,133	-
			48,945,543,497	**29,759,331,257**

NOTE 14 - STATEMENT OF NON-FINANCIAL ASSETS 2025

Land-9153	3,117,645,733,588
Building- 9151	607,221,014,048
Machinary-9152	563,792,341,958
WIP-9160	769,256,311,933
Intangible-9154	18,478,704,100
Biological-9155	133,596,570
Lease-9180	2,138,902,015
Total	**5,078,666,604,213**

Rs.

Ledger	Category	Item	Code		Opening Balance 2025	Opening Balance Addition During the Year	Transfer In	Purchase	Disposal	Closing Balance 2025
9151	1.1-Dwellings			61111	52,211,986,523	10,583,135,918	316,859,028	1,236,738,163	5,504,129,619	58,844,590,013
		House Boats	****6111101		32,620,175	-	-	216,107,504	21,189,371	227,538,309
		Garages	****6111102		440,112,767	33,811,609	-	21,594,356	11,592,464	483,926,268
		Mobile Home	****6111103		6,693,684	-	730,000	34,818,744	1,300,320	40,942,108
		Housing Schemes/ Flats	****6111104		16,423,543,102	951,058,035	465,386	14,794,968	378,926,660	17,010,934,831
		Rest Houses	****6111105		1,521,591,305	317,290,050	-	5,854,279	17,818,909	1,826,916,726
		Hotels & Restaurants	****6111106		562,777,872	15,018,240	-	-	12,160,000	565,636,112
		Quarters	****6111107		29,463,919,300	8,577,012,132	315,663,642	942,991,809	4,921,908,195	34,377,678,687
		Circuit Bungalows	****6111108		3,760,728,317	688,945,852	-	576,502	139,233,700	4,311,016,972
9151	1.2-Non Residential Building			61112	449,986,686,247	31,457,719,024	63,255,055,183	34,635,129,782	49,268,575,095	530,066,015,140
		Building for Public Entertainment	****6111204		49,369,732,042	4,525,298,843	1,984,240,734	1,867,590,696	1,216,901,552	56,529,960,763
		Warehouse	****6111205		7,006,513,001	2,284,255,083	-	73,844,778	1,710,489,689	7,654,123,172
		Airport	****6111206		87,575	-	-	-	-	87,575
		Factories	****6111210		4,134,779,346	329,553,570	-	1,842,216	5,314,000	4,460,861,132
		Crematorium	****6111207		143,215	16,682,000	-	-	143,215	16,682,000
		Schools	****6111202		56,657,231,700	1,696,975,485	13,876,112,359	236,377,173	79,784,522	72,386,912,195
		Laboratories & Research Stations	****6111209		3,713,503,809	17,724,142	-	590,410	4,800,000	3,727,018,360
		Markets	****6111208		570,221,175	449,734,015	-	363,945,723	10,390,039	1,373,510,873
		Office Building	****6111201		260,607,679,352	18,833,087,254	47,394,702,090	32,006,634,134	41,219,167,564	317,622,935,267
		Hospitals	****6111203		67,926,795,032	3,304,408,632	-	84,304,653	5,021,584,514	66,293,923,802
9151	1.3-Other Structure			61113	8,646,026,888	2,941,558,634	7,212,714,956	5,390,197,176	5,880,088,758	18,310,408,895
		Highways Street Road	****6111301		118,074,695	8,606,250	4,931,141,345	3,203,913,009	3,203,913,009	5,057,822,289
		Bridges	****6111302		11,255,030	553,411,056	224,586,660	391,920,622	392,017,779	789,155,589
		Tunnel	****6111303		4,450,002	-	-	-	-	4,450,002
		Railways Subways	****6111304		1,793,847,504	-	-	974,763,266	-	2,768,610,770

Ledger	Category	Item	Code		Opening Balance 2025	Opening Balance Addition During the Year	Transfer In	Purchase	Disposal	Closing Balance 2025
		Air field runways	****6111305		134,000	-	-	-	-	134,000
		Harbors Dams & Other Water Works	****6111306		2,785,632,243	1,094,088,159	-	741,437,044	2,682,239	4,618,475,206
		Structures Associated with Mining Subsoil Assets	****6111307		195,276,545	347,698,545	-	-	163,049,776	379,925,314
		Communication Line Power Line & Pipelines	****6111308		800,434,931	251,373,196	72,746,217	38,978,242	979,000	1,162,553,586
		Outdoor Sport & Recreation Facilities	****6111309		647,607,246	472,589,636	-	1,486,905	18,138,000	1,103,545,787
		Sewerage Treatment Complex	****6111310		1,882,503,041	-	-	19,686,348	10,743	1,902,178,646
		Pumping Station	****6111311		228,298,109	210,622,436	1,984,240,734	39,914	2,099,284,734	323,916,459
		Farms and Agriculture Related Assets	****6111312		178,513,542	3,169,357	-	17,971,827	13,478	199,641,248
	9151-Sub Total				**510,844,699,657**	**44,982,413,575**	**70,784,629,167**	**41,262,065,121**	**60,652,793,472**	**607,221,014,048**
9160	1.4-WIP-Building & Structure			61114	575,550,254,043	40,798,864,843	39,763,364,932	153,718,961,180	40,575,133,065	769,256,311,933
		WIP-Building & Structure	****611140		112,513,661,377	8,964,023,384	8,352,237,209	23,086,951,100	787,407,567	152,129,465,503
		House Boats	****611141		1,828,216	-	-	-	-	1,828,216
		Hospitals	****6111410		10,455,470,602	898,694,684	368,094,328	104,438,418	81,813	11,826,616,218
		Building for Public Entertainment	****6111411		513,975,171	21,376,175	-	2,957,095	-	538,308,440
		Warehouse	****6111412		1,845,363,439	-	-	4,777,096	1,677,479,213	172,661,321
		Airport	****6111413		580,449	-	-	-	-	580,449
		Markets	****6111415		47,162	-	-	-	-	47,162
		Laboratories & Research Stations	****6111416		2,293,818,343	-	374,272,301	75,029,548	-	2,743,120,192
		Factories	****6111417		233,287	-	-	-	-	233,287
		Highways Street Road	****6111418		399,831,519,721	-	30,238,923,009	125,846,940,229	35,998,707,292	519,918,675,667
		Bridges	****6111419		2,002,328,671	-	395,568,729	73,937,314	23,037,415	2,448,797,299
		Garages	****611142		8,681,772	-	-	3,719,526	-	12,401,299
		Railways Subways	****6111421		477,900	-	-	-	-	477,900
		Air Field Runways	****6111422		669,206	-	-	-	-	669,206
		Harbors Dams & Other Water Works	****6111423		10,201,416	-	-	25,781,109	-	35,982,525
		Communication Line Power Line & Pipelines	****6111425		1,202,926	558,253,579	-	-	-	559,456,505
		Outdoor Sport & Recreation Facilities	****6111426		387,968,251	-	-	-	-	387,968,251
		Sewerage Treatment Complex	****6111427		19,301,531	170,757,297	-	7,866	-	190,066,694
		Pumping Station	****6111428		13,297,483	444,693,790	-	-	-	457,991,273
		Farms and Agriculture Related Assets	****6111429		3,258,086	-	-	1,766,919	-	5,025,005
		Mobile Home	****611143		1,286,771	-	-	-	-	1,286,771

Ledger	Category	Item	Code		Opening Balance 2025	Opening Balance Addition During the Year	Transfer In	Purchase	Disposal	Closing Balance 2025
		Rest Houses	****6111430		2,488,956	-	-	-	-	2,488,956
		Housing Schemes/ Flats	****611144		885,671,541	2,032,801	-	93,459,417	-	981,163,758
		Hotels & Restaurants	****611145		751,784	-	-	-	-	751,784
		Quarters	****611146		4,004,747,442	1,152,643,300	-	311,217,393	22,129,683	5,446,478,452
		Circuit Bungalows	****611147		113,072,063	-	-	6,599,936	95,000,000	24,671,998
		Office Building	****611148		36,412,180,367	28,585,779,995	34,269,355	3,647,656,053	881,976,999	67,797,908,771
		Schools	****611149		4,226,170,110	609,839	-	433,722,162	1,089,313,081	3,571,189,030
	9160-Sub Total				**575,550,254,043**	**40,798,864,843**	**39,763,364,932**	**153,718,961,180**	**40,575,133,065**	**769,256,311,933**
9152	2.1-Transport Equipment			61121	303,965,957,770	48,241,477,136	4,474,254,569	7,405,101,659	26,156,956,071	337,929,835,063
		Industrial Vehicles	****6112104		6,698,650,736	159,012,000	25,262,798	270,353,717	551,581,481	6,601,697,770
		Cargo Vehicles	****6112102		19,835,105,150	1,016,238,786	114,019,178	793,526,976	1,030,363,021	20,728,527,069
		Railway Locomotives	****6112107		39,309,982,171	13,240,500	-	102,687,503	26,259,171	39,399,651,002
		Aircrafts	****6112108		65,666,119,845	-	121,840,241	1,548,431,209	1,014,316	67,335,376,979
		Ambulances	****6112105		6,396,119,994	26,032,690	12,242,121	77,890,950	45,329,098	6,466,956,657
		Passenger vehicles	****6112101		129,740,209,056	9,863,203,943	825,021,593	1,848,618,542	4,863,713,135	137,413,339,998
		Ships	****6112106		29,694,907,352	36,958,191,173	3,368,975,975	2,735,847,461	19,518,997,217	53,238,924,743
		Agricultural vehicles	****6112103		2,689,341,375	167,227,814	-	26,549,174	83,001,881	2,800,116,482
		Motor cycles	****6112109		3,935,522,092	38,330,230	6,892,664	1,196,127	36,696,751	3,945,244,362
9152	2.2-Other Machinery & Equipment			61122	178,344,946,368	20,696,661,277	4,311,579,525	30,274,687,280	7,765,367,555	225,862,506,895
		Defence Equipment	****6112215		8,418,864,888	213,823,020	24,417,012	648,212,413	28,598,758	9,276,718,575
		Office Equipment	****6112201		14,864,570,107	2,252,804,722	618,810,719	2,799,078,992	1,385,177,310	19,150,087,230
		Broadcasting Equipment	****6112214		834,957,877	256,963	2,896,000	17,666,070	10,282,473	845,494,437
		Communication Equipment	****6112204		9,117,517,899	1,534,274,234	979,539,711	981,976,384	518,292,780	12,095,015,448
		Construction Equipment	****6112213		1,222,964,790	854,321,089	428,880	504,758,338	388,462,857	2,194,010,240
		Medical Equipment	****6112207		54,474,365,480	425,982,845	228,519,269	10,694,833,611	1,913,048,172	63,910,653,034
		Industrial & Manufacturing Equipment	****6112212		7,050,968,863	3,979,617,240	724,901,760	1,104,480,896	5,363,012	12,854,605,747
		Computer Equipment	****6112202		23,282,377,002	3,470,307,947	719,921,070	4,374,155,832	389,716,244	31,457,045,607
		Laboratory Instruments	****6112211		11,709,524,837	327,785,393	57,991,239	1,198,118,998	87,333,623	13,206,086,844
		Furniture	****6112205		24,743,966,283	995,688,589	508,205,373	4,408,209,390	2,397,152,842	28,258,916,793
		Books Periodical & Journals	****6112210		114,945,820	527,220	-	2,736,884	113,958	118,095,967
		Sports Equipment	****6112208		515,664,396	2,017,428	653,120	106,066,424	26,971,124	597,430,244
		Agricultural & Dairy Farm Equipment	****6112216		649,126,608	113,573,104	29,050	35,047,187	2,187,020	795,588,929
		Musical Instruments	****6112206		988,450,730	5,429,362	280,392	35,505,835	101,247,642	928,418,676
		Fire Protection Equipment	****6112217		1,583,367,945	1,109,966,061	23,005,785	203,659,401	23,401,688	2,896,597,505
		Electrical Equipment	****6112203		15,934,131,858	5,410,286,061	421,980,145	3,158,597,529	482,611,617	24,442,383,975
		Paintings Sculptures & Other Antiques	****6112209		2,839,180,985	-	-	1,583,095	5,406,437	2,835,357,644
	9152-Sub Total				**482,310,904,138**	**68,938,138,413**	**8,785,834,094**	**37,679,788,939**	**33,922,323,626**	**563,792,341,958**

Ledger	Category	Item	Code		Opening Balance 2025	Opening Balance Addition During the Year	Transfer In	Purchase	Disposal	Closing Balance 2025
9180	2.3-Lease Asset			61123	2,532,865,965	-	-	-	393,963,950	2,138,902,015
		Lease-Passenger Vehicles	****6112301		1,339,503,504	-	-	-	393,963,950	945,539,554
		Lease-Agricultural Vehicles	****6112303		655,974,211	-	-	-	-	655,974,211
		Lease-Ambulances	****6112305		537,388,250	-	-	-	-	537,388,250
	9180-Sub Total				**2,532,865,965**	**-**	**-**	**-**	**393,963,950**	**2,138,902,015**
9155	5.2 Other Non Financial-Biological			61132	126,122,870	13,991,700	-	-	6,518,000	133,596,570
		Trees in Forest	****6113201		65,411,170	13,991,700	-	-	6,518,000	72,884,870
		Plants for Harvest	****6113202		44,500	-	-	-	-	44,500
		Plants for Timber	****6113203		189,000	-	-	-	-	189,000
		Animal for Dairy	****6113210		60,478,200	-	-	-	-	60,478,200
	9155-Sub Total				**126,122,870**	**13,991,700**	**-**	**-**	**6,518,000**	**133,596,570**
9154	5.3 Other Non Financial-Intangible			61133	13,947,226,022	196,967,735	16,576,408	4,376,611,475	58,677,540	18,478,704,100
		Computer Software	****6113301		13,790,818,836	195,132,335	15,721,575	4,103,016,083	58,608,540	18,046,080,289
		Licenses	****6113302		62,356,946	1,835,400	854,833	56,989,044	-	122,036,223
		Patents & Copyrights	****6113303		-	-	-	437,500	-	437,500
		Broadcast Rights	****6113305		1,394,899	-	-	-	-	1,394,899
		Service Contracts	****6113306		92,655,341	-	-	216,168,848	69,000	308,755,189
	9154-Sub Total				**13,947,226,022**	**196,967,735**	**16,576,408**	**4,376,611,475**	**58,677,540**	**18,478,704,100**
9153	4.1-Land			61410	1,133,604,472,950	446,424,976,143	54,389,948	64,654,354,539	149,638,417,889	1,495,099,775,690
		Land	****614100		1,133,604,472,950	446,424,976,143	54,389,948	64,654,354,539	149,638,417,889	1,495,099,775,690
9153	4.1-Urban or Built-Up Land			61411	72,287,371,821	3,068,431,750	-	-	484,931,450	74,870,872,121
		Commercial and Services	****6141101		3,205,754,177	13,270,000	-	-	13,306,450	3,205,717,727
		Transportation, Communication and Utilities	****6141103		2,886,821,000	-	-	-	-	2,886,821,000
		Mixed Urban	****6141104		66,194,796,644	3,055,161,750	-	-	471,625,000	68,778,333,394
9153	Water			61414	1,535,678,051,954	22,530,391,882	384,432,835	4,451,708,173	15,743,244,067	1,547,301,340,778
		Streams and Canals	****6141401		16,128,071,316	9,890,000,000	-	209,857,966	9,891,300,000	16,336,629,282
		Lakes	****6141402		617,000,000	485,000,000	-	32,577,214	517,577,214	617,000,000
		Reservoirs	****6141403		1,518,932,565,203	12,155,391,882	384,432,835	4,209,272,993	5,334,366,853	1,530,347,296,061
		Bays and Estuaries	****6141404		415,436	-	-	-	-	415,436
9153	Barren Land			61416	443,195,000	-	-	-	69,450,000	373,745,000
		Sandy Areas other than Beaches	****6141603		443,195,000	-	-	-	69,450,000	373,745,000
	9153-Sub Total				**2,742,013,091,725**	**472,023,799,774**	**438,822,783**	**69,106,062,712**	**165,936,043,406**	**3,117,645,733,588**
	Grand Total				**4,327,325,164,420**	**626,954,176,042**	**119,789,227,383**	**306,143,489,428**	**301,545,453,059**	**5,078,666,604,213**

Notes to the Financial Statements
for the Year Ended 31st December 2025

15 Investment on Public Infrastructure Development

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Capitalized Amount	Work In Progress (WIP)	Total
			Rs.	Rs.	Rs.
Ministry of Defence	Reduction of Landslide Vulnerability by Mitigation Measures Project	103-2-19-6-2509-0/12	3,556,414,180		3,556,414,180
Ministry of Housing, Construction and Water Supply	Ratmalana-Moratuwa Waste Water Disposal Project Phase 2	123-2-25-2-2201-0/12		144,654,822	144,654,822
Ministry of Energy	National Transmission and Distribution Network Development and Efficiency Improvement Project	119-2-3-32-2506-0/12		3,711,874,572	3,711,874,572
Ministry of Public Administration, Provincial Councils and Local Government	Greater Colombo Water and Waste Water Management Improvement Programme - Tranche 3 - EIB	130-2-21-5-2506-0/12	2,133,433,408		2,133,433,408
	Rural Infrastructure Development Project in Emerging Regions - (GOSL / JICA)	130-2-21-8-2202-0/12	108,356,313		108,356,313
	Local Development Support Project	130-2-21-11-2504-0/12	1,234,715,956		1,234,715,956
Ministry of Public Administration, Provincial Councils and Local Government	Rural Bridges Project (GOSL/DRIVE-Netherland)	130-2-21-21-2506-0/12	790,590,236		790,590,236
Ministry of Agriculture, Livestock, Land and Irrigation	Integrated Urban Development and Climate Resilience Project	118-2-3-93-2509-0/12	7,483,914		7,483,914
	Integrated Watershed and Water Resources Management Project	118-2-34-7-2001-0/12		1,938,239,133	1,938,239,133

15 Investment on Public Infrastructure Development

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Capitalized Amount	Work In Progress (WIP)	Total
			Rs.	Rs.	Rs.
	Climate Smart Irrigated Agriculture Project (CSIAP)	118-2-3-47-2202-0/12		613,771,042	613,771,042
	Smallholder Agribusiness Partnerships Programme	118-2-3-53-2202-0/12	83,977		83,977
	Stallholder Agribusiness and Resilience Project	118-2-3-66-2202-0/12	356,078,417	673,064,823	1,029,143,240
Ministry of Energy	National Transmission and Distribution Network Development and Efficiency Improvement Project	119-2-3-32-2506-0/12		3,711,874,572	3,711,874,572
Department of Educational Publications	General Education Modernization Project	213-2-1-3-2509-0/12	14,198,990		14,198,990
Eastern Provincial Council	General Education Modernization Project	321-2-2-9-2504-0/12	68,037,194		68,037,194
Sabaragamuwa Provincial Council	General Education Modernization Project	319-2-2-7-2504-0/12	24,757,907	60,498,046	85,255,953
Uva Provincial Council	General Education Modernization Project	318-2-2-7-2504-0/12	175,000,000		175,000,000
North Central Provincial Council	General Education Modernization Project	317-2-2-8-2504-0/12	175,000,000		175,000,000
North Western Provincial Council	General Education Modernization Project	316-2-2-7-2504-0/12	64,467,894		64,467,894
Northern Provincial Council	General Education Modernization Project	315-2-2-13-2504-0/12	33,747,260		33,747,260
Southern Provincial Council	General Education Modernization Project	314-2-2-6-2504-0/12	150,000,000		150,000,000
Central Provincial Council	General Education Modernization Project	313-2-2-9-2504-0/12	47,436,535		47,436,535

Notes to the Financial Statements
for the Year Ended 31st December 2025

15 Investment on Public Infrastructure Development

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Capitalized Amount	Work In Progress (WIP)	Total
			Rs.	Rs.	Rs.
Western Provincial Council	General Education Modernization Project	312-2-2-6-2504-0/12	95,013,699		95,013,699
Total			**9,034,815,879**	**10,853,977,011**	**19,888,792,890**
Opening Balance as at 01.01.2025					**105,730,725,413**
Closing Balance as at 31.12.2025					**125,619,518,303**

OBJECT CODE WISE SUMMARY

2001 - Rehabilitation & Improvement of Building and Structure	1,938,239,133
2201 - Capital Transfer to Public Institutions	144,654,822
2202 - Development Assistance	1,751,354,571
2504 - Contribution to Provincial Councils	2,128,674,491
2506 - Infrastructure Development	10,347,772,788
2509 - Other	3,578,097,083
Total	**19,888,792,890**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		2025	Restated 2024
		Rs.	Rs.
16	**MEMBERSHIP FEES PAID**		
	International Monetary Institutions Membership Fees (8234)	1,268,673,389	1,268,673,389
	Foreign Aid Counterpart Fund - Grants (8317)	1,631,694,933	1,631,694,933
	Total	**2,900,368,322**	**2,900,368,322**

Notes to the Financial Statements
for the Year Ended 31st December 2025

17 Capital Contribution or Shareholdings in the Commercial Public Corporations / State Owned Companies / Other Companies / Plantation Companies / Development Banks (8468 / 8548)

	Balance as at 01.01.2025	Additions/ Adjustments in 2025	Reductions/ Adjustments in 2025	Balance as at 31.12.2025
	Rs.	Rs.	Rs.	Rs.
Note - 17.1 (a) Capital Contribution in Commercial Public Corporations	2,169,149,802,565	90,607,214,478	-	2,259,757,017,042
Note -17.1 (b) Contribution to the Central Bank of Sri Lanka	15,000,000	49,985,000,000	-	50,000,000,000
Note - 17.2 Shareholdings in Government Owned or Other Companies	311,894,753,030	45,251,137,494	313,580	357,145,576,944
Note - 17.3 Shareholdings in Plantation Companies	1,696,237,450	18,390,563	20	1,714,627,993
Note - 17.4 Shareholdings in Companies in Dollar Denomination	2,447,598,475	152,788,900	-	2,600,387,375
Note - 17.5 Shareholdings in Development Banks	8,028,374,346	-	-	8,028,374,346
Total	**2,493,231,765,866**	**186,014,531,435**	**313,600**	**2,679,245,983,701**

17.1 (a) Capital Contribution in Commercial Public Corporations

		Balance as at 01.01.2025	Additions/ Adjustments in 2025	Reductions/ Adjustments in 2025	Balance as at 31.12.2025
		Rs.	Rs.	Rs.	Rs.
1	Agriculture and Agrarian Insurance Board	50,000,000	-	-	50,000,000
2	Bank of Ceylon	25,730,000,000	-	-	25,730,000,000
3	Central Engineering Consultancy Bureau	500,000	-	-	500,000
4	Ceylon Ceramic Corporation	2,640,000	-	-	2,640,000
5	Ceylon Electricity Board	991,437,229,131	-	-	991,437,229,131
6	Ceylon Fisheries Corporation	326,609,805	-	-	326,609,805
7	Ceylon Fishery Harbours Corporation	350,099,843	-	-	350,099,843
8	Ceylon Petroleum Corporation	912,580,511,477	-	-	912,580,511,477
9	Coconut Development Authority	88,943,221	-	-	88,943,221
10	Condominium Management Authority	500,000	-	-	500,000
11	Co-operative Wholesale Establishment	7,994,353,601	812,785,087	-	8,807,138,687
12	Dr. Nevil Fernando Teaching Hospital	2,000,000,000	5,490,442,465	-	7,490,442,465
13	Export Development Board	10,014,284	-	-	10,014,284
14	Geological Survey and Mines Bureau	98,316,264	-	-	98,316,264
15	Janatha Estates Development Board	4,220,000,000	360,000,000	-	4,580,000,000
16	National Equipment and Machinery Organization	580,000,000	-	-	580,000,000
17	National Gem & Jewelry Authority	30,000,000	-	-	30,000,000
18	National Transport Medical Institute	62,099,697	-	-	62,099,697
19	National Films Corporation of Sri Lanka	10,000,000	-	-	10,000,000
20	National Institute of Business Management	57,175,766	-	-	57,175,766
21	National Livestock Development Board	6,801,995,542	-	-	6,801,995,542
22	National Lotteries Board	21,263,100	-	-	21,263,100
23	National Savings Bank	9,400,000,000	-	-	9,400,000,000
24	National Water Supply & Drainage Board	151,284,262,310	45,607,942,077	-	196,892,204,387
25	National Housing Development Authority	40,000,000	-	-	40,000,000
26	People's Bank	12,198,134,700	-	-	12,198,134,700
27	Paddy Marketing Board	12,194,071,864	2,755,213,074	-	14,949,284,939

		Balance as at 01.01.2025	Additions/ Adjustments in 2025	Reductions/ Adjustments in 2025	Balance as at 31.12.2025
28	South Asian Institute for Technology and Medicine		2,941,088,000	-	2,941,088,000
29	General Sir John Kotalewala Defence Ui	2,200,000,000	8,054,711,727	-	10,254,711,727
30	Sri Jayewardenapura General Hospital	1,016,825,162	-	-	1,016,825,162
31	Sri Lanka Bureau of Foreign Employment	691,161,789	-	-	691,161,789
32	Sri Lanka Institute of Tourism and Hotel Management	454,850,952	-	-	454,850,952
33	Sri Lanka Ayurvedic Drugs Corporation	5,000,000	-	-	5,000,000
34	Sri Lanka Broadcasting Corporation	980,239,085	318,000,000	-	1,298,239,085
35	Sri Lanka Cashew Corporation	427,287,074	-	-	427,287,074
36	Sri Lanka Cement Corporation	966,971,844	-	-	966,971,844
37	Sri Lanka Transport Board	3,944,890,550	1,800,000,000	-	5,744,890,550
38	Sri Lanka Export Credit Insurance Corporation	150,000,000	-	-	150,000,000
39	Sri Lanka Handicraft Board	69,629,000	-	-	69,629,000
40	Sri Lanka Land Development Corporation	1,000,000	-	-	1,000,000
41	Sri Lanka Ports Authority	7,535,916,027	-	-	7,535,916,027
42	Sri Lanka Rupavahini Corporation	1,131,986,693		-	1,131,986,693
43	Sri Lanka Tourism Promotion Bureau	33,069,157	-	-	33,069,157
44	Sri Lanka Tea Board	672,012,202	-	-	672,012,202
45	Sri Lanka State Plantation Corporation	234,300,000	255,600,000	-	489,900,000
46	State Development & Construction Corporation	928,151,650		-	928,151,650
47	State Engineering Corporation of Sri Lanka	4,142,380,000	-	-	4,142,380,000
48	State Mortgage & Investment Bank	889,813,000	-	-	889,813,000
49	State Pharmaceuticals Corporation of Sri Lanka	59,055,258	-	-	59,055,258
50	State Pharmaceuticals Manufacturing Corporation	3,106,173,044	-	-	3,106,173,044
51	State Printing Corporation	15,000,000	-	-	15,000,000
52	State Timber Corporation	41,503,668	-	-	41,503,668
53	Telecommunication Regulatory Commission	526,214,744	22,211,432,048	-	22,737,646,792
54	Urban Development Authority	1,357,651,060	-	-	1,357,651,060
	Total	**2,169,149,802,565**	**90,607,214,478**	**-**	**2,259,757,017,042**

17.1 (b) Contribution to the Central Bank of Sri Lanka

		Balance as at 01.01.2025	Additions/ Adjustments in 2025	Reductions/ Adjustments in 2025	Balance as at 31.12.2025
		Rs.	Rs.	Rs.	Rs.
1	Central Bank of Sri Lanka	15,000,000	49,985,000,000	-	50,000,000,000

Notes to the Financial Statements for the Year Ended 31st December 2025

17.2 SHAREHOLDING IN GOVERNMENT OWNED OR OTHER COMPANIES

		Number of Shares				Nominal Value per Share	Value of the Investment as at 01.01.2025	Value of the Investment as at 31.12.2025	Percentage of Share holdings by the Treasury
		As at 01.01.2025	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2025	Rs.	Rs.	Rs.	
1	Airport & Aviation Services (Sri Lanka) Ltd.	200,000	-	-	200,000	100.00	20,000,000	20,000,000	99.99
2	BCC Lanka Ltd.	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	100.00
3	Bogala Graphite Lanka PLC	254,500	-	-	254,500	10.00	2,545,000	2,545,000	0.54
		254,500	-	-	254,500	0.46	118,331	118,331	
4	Building Materials Corporation Ltd.	1,000,000	-	-	1,000,000	10.00	10,000,000	10,000,000	100.00
							-	88,303,648	
5	Canwill Holdings (Pvt) Ltd. **Note 5.1.1**	1,085,294,117	500,000,000	-	1,585,294,117	10.00	10,399,358,000	15,399,358,000	100.00
6	Ceylon Agro-Industries Ltd.	11,903,402	-	-	11,903,402	5.62	66,884,920	66,884,920	5.62
7	Ceylon Hotels Corporation PLC (Preference Shares Only)	1,200,000	-	-	1,200,000	2.00	2,400,000	2,400,000	2.00
8	Ceylon Shipping Corporation Ltd.	5,000,000	-	-	5,000,000	10.00	50,000,000	50,000,000	100.00
9	Cey-Nor Foundation Ltd.	4,000,000	-	-	4,000,000	10.00	40,000,000	40,000,000	100.00
							-	16,000,000	
10	Colombo Lotus Tower Management Company Ltd.	50,000,001		-	50,000,001	10.00	500,000,000	500,000,010	100.00
11	Commercial Bank of Ceylon PLC **Note 5.1.4**	41,326	1,137	-	42,463		1,274,562	1,400,077	0.0037
12	Cultural Publication Company Ltd.	600	-	-	600	100.00	60,000	60,000	-
13	CWG Hambanthota 2018	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	79.00
14	Distance Learning Center Ltd.	14,206,509	-	-	14,206,509	10.00	142,065,090	142,065,090	99.99
15	Galadari Hotels (Lanka) PLC	292,200	-	-	292,200	10.00	2,922,000	2,922,000	0.058
16	Gov Tech Sri Lanka (Pvt) Ltd.	-	2,000,000	-	2,000,000	1,000.00	-	2,000,000,000	100.00
17	Hotel Developers (Lanka) Ltd.	2,046,645,686	-	-	2,046,645,686	10.00	20,466,456,860	20,466,456,860	100.00
18	Human Resources Services Agency (Guarantee) Ltd.	-	-	-	-		5,000,000	5,000,000	100.00
19	Kingsbury Hotels PLC	2,263	42,997	-	45,260	10.00	22,630	22,630	0.0128
20	Hunas Falls Hotels PLC	1	-	-	1	10.00	10	10	-
21	Independent Television Network Ltd.	9,500,000	-	-	9,500,000	10.00	95,000,000	95,000,000	100.00
					-		159,450,175	159,450,175	
22	Information & Communication Technology Agency of Sri Lanka (Pvt) Ltd.	2	-	-	2	10.00	20	20	100.00
23	Kahatagaha Grafite Lanka Ltd.	1,300,000	-	-	1,300,000	10.00	13,000,000	13,000,000	100.00
24	Kalubowitiyana Tea Factory Ltd.	4,637,500	-	-	4,637,500	10.00	46,375,000	46,375,000	99.90

		Number of Shares				Nominal Value per Share	Value of the Investment as at 01.01.2025	Value of the Investment as at 31.12.2025	Percentage of Share holdings by the Treasury
		As at 01.01.2025	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2025				
						Rs.	Rs.	Rs.	
25	Kantale Sugar Industries Ltd.	2,689,993	-	-	2,689,993	100.00	268,999,300	268,999,300	100.00
26	Lafarge Mahaweli Cement (Pvt) Ltd.	480,000	-	-	480,000	10.00	4,800,000	4,800,000	10.00
27	Laxapana Batteries PLC - (Elephant Lite Corporation Ltd) (5% Cumulative Peference Shares)	1,000	-	-	1,000	10.00	10,000	10,000	5.00
28	Lanka Canneries Ltd.	29,001	3,996		32,997	100.00	2,900,100	3,299,700	7.49
29	Lanka Cement Ltd.	22,246,000	-	-	22,246,000	10.00	222,460,000	222,460,000	13.00
30	Lanka Coal Company (Pvt) Ltd.	400,000	-	-	400,000	10.00	4,000,000	4,000,000	20.00
31	Lanka Electricity Company (Pvt) Ltd.	49,880,000	-	-	49,880,000	10.00	498,800,000	498,800,000	43.56
32	Lakdiwa Engineering Company (Pvt) Ltd.	2	-	-	2	10.00	20	20	100.00
33	Lanka Fabrics Ltd.	210,000	-	-	210,000	10.00	2,100,000	2,100,000	93.30
34	Lanka Hydraulic Institute Ltd.	50,000	-	-	50,000	10.00	500,000	500,000	4.54
35	Lanka Industrial Estates Ltd.	7,800,000	-	-	7,800,000	10.00	78,000,000	78,000,000	48.84
36	Lanka Layland (Pvt) Ltd.	1,289,900	-	-	1,289,900	6.94	8,951,906	8,951,906	100.00
		860,000	-	-	860,000	0.01	8,600	8,600	
37	Lanka Logistics and Technologies Ltd.	8,000,205	-	-	8,000,205	10.00	80,002,050	80,002,050	100.00
38	Lanka Metro Transit (Pvt) Ltd.							1,200,000,000	40.00
39	Lanka Mineral Sands Ltd.	80,000,000	-	-	80,000,000	10.00	800,000,000	800,000,000	100.00
40	Lanka Phosphate Ltd.	7,251,000	-	-	7,251,000	10.00	72,510,000	72,510,000	100.00
41	Lanka STC General Trading Co. Ltd.	10,000,000	-	-	10,000,000	10.00	100,000,000	100,000,000	100.00
42	Lanka Textile Mills Emporium Ltd.	700,000	-	-	700,000	10.00	7,000,000	7,000,000	-
43	Lanka Sathosa Ltd.	87,095,381	-	-	87,095,381	10.00	870,953,810	870,953,810	98.00
							2,578,245,320	3,724,175,633	
44	Lanka Sugar Company (Pvt) Ltd.						-	600,000,000	100.00
45	Mihin Lanka (Pvt) Ltd.	51,406,108	93,356,411	-	144,762,519	100.00	14,476,251,900	14,476,251,900	100.00
		-	-	-	-	-	713,396,315	713,396,315	
46	MILCO (Pvt) Ltd - Kiriya Milk Industries	31,945,403	-	31,945,403	-	10.00	319,454,030	-	99.99
		8,169,034,183	-	8,169,034,183	-	1.00	8,169,034,183	-	
			848,848,821		848,848,821	10.00		8,488,488,210	
47	National Credit Guarantee Institution Ltd.	1,511,447,500		-	1,511,447,500	10.00	15,114,575,000	15,114,475,000	90.29
48	National Paper Company Ltd.	32,300,000	-	-	32,300,000	10.00	323,000,000	323,000,000	100.00
49	National Development Bank PLC - **Note 5.1.4**	1,072,988	24,269	-	1,097,257		43,025,438	45,547,948	0.26
50	North Sea Company (Pvt) Ltd.	-	-	-	-	-	88,944,553	88,944,553	100.00
51	National Salt Ltd.	300,000	-	-	300,000	100.00	30,000,000	30,000,000	100.00

		Number of Shares				Nominal Value per Share	Value of the Investment as at 01.01.2025	Value of the Investment as at 31.12.2025	Percentage of Share holdings by the Treasury
		As at 01.01.2025	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2025	Rs.	Rs.	Rs.	
52	Dufry Shops Colombo Ltd.(World Duty Free Group Lanka Ltd.)	1,048	-	-	1,048	10.00	10,480	10,480	0.035
53	Paranthan Chemicals Company Ltd.	4,000,000	-	-	4,000,000	10.00	40,000,000	40,000,000	100.00
54	Rakna Arakshana Lanaka Ltd.	500,205	-	-	500,205	10.00	5,002,050	5,002,050	100.00
55	Rajarata Food Grain Ltd.	386,249	-	-	386,249	10.00	3,862,490	3,862,490	-
56	Skills Development Fund Ltd.	10,000,001	-	-	10,000,001	10.00	100,000,010	100,000,010	98.03
57	Sri Lanka Insurance Corporation Ltd.	599,568,144	-	-	599,568,144	10.00	5,995,681,440	5,995,681,440	99.98
58	Sri Lanka Rubber Manufacturing & Export Corporation Ltd.	7,798,000	-	-	7,798,000	10.00	77,980,000	77,980,000	100.00
59	Sri Lanka Telecom PLC	893,405,709	-	-	893,405,709	10.00	8,934,057,090	8,934,057,090	50.23
		13,158,700	-	-	13,158,700	10.00	1,271,480,516	1,271,480,516	
60	Sri Lankan Airlines	2,034,006,469	47,885,600		2,081,892,069	100.00	208,189,206,900	208,189,206,900	99.77
		-			-			25,275,824,993	
61	State Fertilizer Ltd.	60,245,608	-	-	60,245,608	10.00	602,456,080	602,456,080	100.00
							114,508,741	114,508,741	
62	State Resource Management Corporation Ltd.	4,100,000	-	-	4,100,000	10.00	41,000,000	41,000,000	100.00
63	Sri Lanka Thriposha Ltd.	30,460,000	-	-	30,460,000	10.00	304,600,000	304,600,000	100.00
64	The Selinsing Company Ltd.	615	-	-	615	10.00	6,150	6,150	0.0108
65	Technopark Development Company			-			22,000,000	22,000,000	
66	De La Rue Lanka Currency & Security Print (Pvt) Ltd.	2,800,000	-	-	2,800,000	10.00	28,000,000	28,000,000	40.00
67	Wakers & Greig Ltd.	2,850	-	-	2,850	2.00	5,700	5,700	-
		100	-	-	100	10.00	1,000	1,000	
68	West Coast Power (Pvt) Ltd. (Ordinary)	45,590,000	-	-	45,590,000	112.95	5,149,597,727	5,149,597,727	41.45
69	Sri Lanka Institute of Biotechnology (Pvt) Ltd.	52,472,574	-	-	52,472,574	10.00	524,725,740	524,725,740	100.00
							772,345,139	1,262,345,139	
70	Sri Lanka Institute of Nanotechnology (Pvt) Ltd.	-	-	-	-	-	226,058,502	312,773,077	50.00
71	Sahasya Investments Ltd.	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
72	Selendiva Investments Ltd.	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
73	Sinolanka Hotels & SPA (Pvt) Ltd. (Preference Shares)	20,705,882	592,345,824	-	613,051,706	8.50	2,276,312,153	5,210,939,503	100.00
								6,360,475,403	
74	South Asia Center For Teacher Development	-	-	-	-	-	55,000,000	105,000,000	100.00
75	Center of Excellence Robotics Applications (Pvt) Ltd.	200,000	-	-	200,000	100.00	20,000,000	20,000,000	100.00
	Total	**17,112,023,425**	**2,084,509,055**	**8,200,979,586**	**10,995,552,894**		**311,894,753,030**	**357,145,576,944**	

Notes to the Financial Statements for the Year Ended 31st December 2025

17.3 GOVERNMENT SHAREHOLDING IN PLANTATION COMPANIES

		Number of Shares							
		As at 01.01.2025	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2025	Nominal Value per Share	Value of the Investment as at 01.01.2025	Value of the Investment as at 31.12.2025	Percentage of Share holdings by the Treasury
						Rs.	Rs.	Rs.	
1	Agaraptana Plantations PLC	23,284,645	-	-	23,284,645	10.00	232,846,450	232,846,450	4.66
2	Agalawatta Plantations PLC	742	-	-	742	10.00	7,420	7,420	0.00048
3	Bogawantalawa Tea Estates PLC	21,664	-	-	21,664	6.67	144,430	144,430	0.026
4	Balangoda Plantations PLC	4,761	-	-	4,761	10.00	47,610	47,610	0.02
5	Chilaw Plantations Ltd.	20,000,001	-	-	20,000,001	10.00	200,000,010	200,000,010	100.00
6	Elkaduwa Plantations Ltd.	18,000,001	-	-	18,000,001	10.00	180,000,010	180,000,010	100.00
7	Elpitiya Plantations PLC	15,613,092	-	-	15,613,092	5.00	78,065,460	78,065,460	21.43
8	Gal-Oya Plantations (Pvt) Ltd.	51,600,000	-	-	51,600,000	10.00	516,000,000	516,000,000	51.00
9	Hapugastenne Plantations PLC	1	-	-	1	10.00	10	10	-
10	Horana Plantations PLC	5,889	-	-	5,889	10.00	58,890	58,890	0.023
11	Kahawatte Plantations PLC	1	-	-	1	10.00	10	10	-
12	Kegalle Plantations PLC	4,387	-	-	4,387	10.00	43,870	43,870	0.02
13	Kelani Valley Plantations PLC	1	-	-	1	10.00	10	10	-
14	Kotagala Plantations PLC	5,700,833	1	-	5,700,834	10.00	57,008,330	57,008,340	1.68
15	Kurunegala Plantations Ltd.	20,000,001	-	-	20,000,001	10.00	200,000,010	200,000,010	100.00
16	Madulsima Plantations PLC	3,805,653	-	-	3,805,653	10.00	38,056,530	38,056,530	2.25
17	Malwatte Valley Plantations PLC	2	-	1	1	10.00	20	10	-
18	Maskeliya Plantations PLC	9,008	-	-	9,008	10.00	90,080	90,080	0.017
19	Maturata Plantations Ltd.	7,806,021	-	1	7,806,020	10.00	78,060,210	78,060,200	22.30
20	Namunukula Plantations PLC	3,763,301	38,298	-	3,801,599	14.74	37,633,010	56,023,563	16.00
21	Pussellawa Plantations Ltd.	7,816,790	-	-	7,816,790	10.00	78,171,230	78,171,230	32.80
22	Talawakelle Tea Estates PLC	368	367	-	735	10.00	3,680	3,680	0.0015
23	Udapussellawa Plantations PLC	1	-	-	1	10.00	10	10	-
24	Watawala Plantations PLC	151	605	-	756	10.00	160	160	-
	Total	**177,437,314**	**39,271**	**2**	**177,476,583**		**1,696,237,450**	**1,714,627,993**	

17.4 Government Shareholding in Companies in Dollar Denomination

		Number of Shares							
		As at 01.01.2025	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2025	Nominal Value per Share	Value of the Investment as at 01.01.2025	Value of the Investment as at 31.12.2025	Percentage of Share holdings by the Treasury
						Rs.	Rs.	Rs.	
1	Asian Reinsurance Corporation	980	-	-	980	USD 1000	282,563,400	300,164,200	
2	Ceylon Shipping Agency	24,500	-	-	24,500	SGD 1	5,155,045	5,804,785	99.00
3	International Finance Corporation	7,491			7,491	USD 1000	2,159,880,030	2,294,418,390	
	Total	**32,971**	**-**		**32,971**		**2,447,598,475**	**2,600,387,375**	

EXCHANGE RATE (BUYING RATE) AS AT 01.01.2025/ 31.12.2025

Currency	01.01.2025 Rate	31.12.2025 Rate
US Dollar (USD)	288.33	306.29
Singapore Dollar (SGD)	210.41	236.93

Notes to the Financial Statements for the Year Ended 31st December 2025

17.5 Government Shareholding in Development Banks

		Number of Shares							
		As at 01.01.2025	Additions/ Adjustments	Deductions/ Adjustments	As at 31.12.2025	Nominal Value per Share	Value of the Investment as at 01.01.2025	Value of the Investment as at 31.12.2025	Percentage of Share holdings by the Treasury
						Rs.	Rs.	Rs.	
1	Pradeshiya Sanwardhana Bank	337,744,671	-	-	337,744,671	10.00	3,377,446,710	3,377,446,710	91.21
		158,013,356		-	158,013,356	26.43	4,176,292,999	4,176,292,999	
		6,183,946		-	6,183,946	28.24	174,634,635	174,634,635	
		10,193,680		-	10,193,680	29.43	300,000,002	300,000,002	
		512,135,653	**-**	**-**	**512,135,653**		**8,028,374,346**	**8,028,374,346**	

NOTES - 17.2, 17.3, 17.4, 17.5 - SUMMARY

		Numbers of Shares	Nominal Value of Shares as at 31.12.2025 (Rs.)
1	General	10,995,552,894	357,145,576,944
2	Plantation	177,476,583	1,714,627,993
3	Shares in Dollar Value	32,971	2,600,387,375
4	Development Banks	512,135,653	8,028,374,346
	Total	**11,685,198,101**	**369,488,966,659**

Notes to the Financial Statements
for the Year Ended 31st December 2025

18 RENT AND WORK ADVANCE ACCOUNT

Rs.

Head	Ministry/Department	Account Number	Type	Opening Balance as at 01.01.2025	Additions	Settlements	Closing Balance as at 31.12.2025
102	Ministry of Finance, Planning and Economic Development	9188-102-0-1-0-1-0	Rent	-	20,539,069	20,539,069	-
	Ministry of Defence	9188-103-0-1-0-5-0	Rent	-	600,000	600,000	-
103	Ministry of Defence	9188-103-0-1-0-6-0	Rent	-	14,382,500		14,382,500
	Ministry of Defence	9188-103-0-1-0-5-0	Rent	-			-
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-10-0	Rent	1,820,000	-	-	1,820,000
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-3-0	Rent	6,760,000	-	-	6,760,000
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-4-0	Rent	6,448,000	-	-	6,448,000
110	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-5-0	Rent	6,515,600	-	-	6,515,600
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-6-0	Rent	2,162,160	-	-	2,162,160
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-8-0	Rent	6,515,600	-	-	6,515,600
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-9-0	Rent	1,350,000	-	-	1,350,000
	Ministry of Justice, Prisons Affairs and Constitutional Reforms	9188-110-0-1-0-11-0	Rent	-	2,829,000	-	2,829,000
118	Ministry of Agriculture	9188-118-0-1-0-1-0	Rent	63,000,000	85,899	85,899	63,000,000
119	Ministry of Power & Energy	9188-119-0-1-0-3-0	Rent	9,550,000	-	-	9,550,000
122	Ministry of Tourism and Lands	9188-122-0-2-0-1-0	Mobilization	1,222,196	-	-	1,222,196
	Ministry of Tourism and Lands	9188-122-0-2-0-2-0	Mobilization	1,625,560	-	-	1,625,560
	Ministry of Urban Development and Housing	9188-123-0-2-0-11-0	Mobilization	11,531,415	-	11,531,415	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-12-0	Mobilization	10,010,700	-	10,010,700	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-13-0	Mobilization	58,011,750	-	-	58,011,750
	Ministry of Urban Development and Housing	9188-123-0-2-0-14-0	Mobilization	267,067,622	-	-	267,067,622
	Ministry of Urban Development and Housing	9188-123-0-2-0-15-0	Mobilization	25,556,481	-	25,556,481	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-16-0	Mobilization	5,164,434	-	5,164,434	-
123	Ministry of Urban Development and Housing	9188-123-0-2-0-18-0	Mobilization	-	16,560,796	6,958,084	9,602,712
	Ministry of Urban Development and Housing	9188-123-0-2-0-19-0	Mobilization	-	8,467,441	-	8,467,441
	Ministry of Urban Development and Housing	9188-123-0-2-0-20-0	Mobilization	-	14,681,278	11,522,236	3,159,042
	Ministry of Urban Development and Housing	9188-123-0-2-0-21-0	Mobilization	-	26,999,169	-	26,999,169
	Ministry of Urban Development and Housing	9188-123-0-2-0-22-0	Mobilization	-	18,305,031	3,237,053	15,067,978
	Ministry of Urban Development and Housing	9188-123-0-2-0-23-0	Mobilization	-	8,688,034	-	8,688,034
	Ministry of Urban Development and Housing	9188-123-0-2-0-24-0	Mobilization	-	28,637,708	7,171,075	21,466,633
	Ministry of Urban Development and Housing	9188-123-0-2-0-25-0	Mobilization	-	2,602,779	1,127,711	1,475,067

RENT AND WORK ADVANCE ACCOUNT

Rs.

Head	Ministry/Department	Account Number	Type	Opening Balance as at 01.01.2025	Additions	Settlements	Closing Balance as at 31.12.2025
123	Ministry of Urban Development and Housing	9188-123-0-2-0-26-0	Mobilization	-	17,999,491	17,999,491	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-27-0	Mobilization	-	25,712,303	11,099,068	14,613,235
	Ministry of Urban Development and Housing	9188-123-0-2-0-28-0	Mobilization	-	6,957,828	-	6,957,828
	Ministry of Urban Development and Housing	9188-123-0-2-0-29-0	Mobilization	-	4,852,980	-	4,852,980
	Ministry of Urban Development and Housing	9188-123-0-2-0-30-0	Mobilization	-	4,786,486	-	4,786,486
	Ministry of Urban Development and Housing	9188-123-0-2-0-31-0	Mobilization	-	5,557,835	-	5,557,835
	Ministry of Urban Development and Housing	9188-123-0-2-0-32-0	Mobilization	-	9,850,330	9,850,330	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-33-0	Mobilization	-	5,304,518	2,892,427	2,412,091
	Ministry of Urban Development and Housing	9188-123-0-2-0-34-0	Mobilization	-	15,401,266	-	15,401,266
	Ministry of Urban Development and Housing	9188-123-0-2-0-51-0	Mobilization	-	15,597,233	-	15,597,233
	Ministry of Urban Development and Housing	9188-123-0-2-0-52-0	Mobilization	-	28,036,812	5,388,496	22,648,316
	Ministry of Urban Development and Housing	9188-123-0-2-0-54-0	Mobilization	-	11,532,272	2,981,106	8,551,166
	Ministry of Urban Development and Housing	9188-123-0-2-0-55-0	Mobilization	-	18,146,799	-	18,146,799
	Ministry of Urban Development and Housing	9188-123-0-2-0-56-0	Mobilization	-	57,199,607	2,201,114	54,998,493
	Ministry of Urban Development and Housing	9188-123-0-2-0-57-0	Mobilization	-	14,825,850	1,464,023	13,361,827
	Ministry of Urban Development and Housing	9188-123-0-2-0-58-0	Mobilization	-	14,393,582	14,393,582	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-59-0	Mobilization	-	22,314,821	22,314,821	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-60-0	Mobilization	-	15,736,089	-	15,736,089
	Ministry of Urban Development and Housing	9188-123-0-2-0-61-0	Mobilization	-	22,016,216	-	22,016,216
	Ministry of Urban Development and Housing	9188-123-0-2-0-62-0	Mobilization	-	16,820,548	5,931,109	10,889,439
	Ministry of Urban Development and Housing	9188-123-0-2-0-63-0	Mobilization	-	37,481,782	1,221,599	36,260,183
	Ministry of Urban Development and Housing	9188-123-0-2-0-64-0	Mobilization	-	23,528,927	-	23,528,927
	Ministry of Urban Development and Housing	9188-123-0-2-0-65-0	Mobilization	-	11,181,041	-	11,181,041
	Ministry of Urban Development and Housing	9188-123-0-2-0-66-0	Mobilization	-	16,707,279	-	16,707,279
	Ministry of Urban Development and Housing	9188-123-0-2-0-67-0	Mobilization	-	26,481,386	-	26,481,386
	Ministry of Urban Development and Housing	9188-123-0-2-0-68-0	Mobilization	-	1,116,988	-	1,116,988
	Ministry of Urban Development and Housing	9188-123-0-2-0-69-0	Mobilization	-	6,490,000	-	6,490,000
	Ministry of Urban Development and Housing	9188-123-0-2-0-70-0	Mobilization	-	28,851,533	-	28,851,533
	Ministry of Urban Development and Housing	9188-123-0-2-0-72-0	Mobilization	-	6,395,458	6,395,458	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-74-0	Mobilization	-	5,212,504	5,212,504	0
	Ministry of Urban Development and Housing	9188-123-0-2-0-77-0	Mobilization	-	30,139,632	9,781,105	20,358,527
	Ministry of Urban Development and Housing	9188-123-0-2-0-84-0	Mobilization	-	15,446,300	-	15,446,300
	Ministry of Urban Development and Housing	9188-123-0-2-0-85-0	Mobilization	-	53,441,381	-	53,441,381
	Ministry of Urban Development and Housing	9188-123-0-2-0-86-0	Mobilization	-	9,236,131	-	9,236,131
	Ministry of Urban Development and Housing	9188-123-0-2-0-87-0	Mobilization	-	11,722,120	-	11,722,120
	Ministry of Urban Development and Housing	9188-123-0-2-0-88-0	Mobilization	-	3,797,008	-	3,797,008
	Ministry of Urban Development and Housing	9188-123-0-2-0-89-0	Mobilization	-	3,078,100	-	3,078,100
	Ministry of Urban Development and Housing	9188-123-0-2-0-90-0	Mobilization	-	8,880,270	-	8,880,270
	Ministry of Urban Development and Housing	9188-123-0-2-0-2-0	Mobilization	23,217,936	23,392,348	46,610,283	-
	Ministry of Urban Development and Housing	9188-123-0-2-0-3-0	Mobilization	50,000,000	-	43,755,452	6,244,548

18 RENT AND WORK ADVANCE ACCOUNT

Rs.

Head	Ministry/Department	Account Number	Type	Opening Balance as at 01.01.2025	Additions	Settlements	Closing Balance as at 31.12.2025
123	Ministry of Urban Development and Housing	9188-123-0-2-0-4-0	Mobilization	1,751,382	-	1,751,382	-
186	Ministry of Technology	9188-186-0-1-0-1-0	Rent	5,257,440	-	-	5,257,440
187	Ministry of Investment Promotion	9188-187-0-1-0-1-0	Rent	21,293,616	-	20,539,069	754,547
	Ministry of Youth and Sports	9188-194-0-1-0-2-0	Rent	1,541,190	-	-	1,541,190
	Ministry of Youth and Sports	9188-194-0-1-0-3-0	Rent	673,110	-	-	673,110
194	Ministry of Youth and Sports	9188-194-0-2-0-3-0	Mobilization	15,358,239	-	-	15,358,239
	Ministry of Youth and Sports	9188-194-0-2-0-4-0	Mobilization	5,399,007	-	-	5,399,007
	Ministry of Youth and Sports	9188-194-0-2-0-5-0	Mobilization	6,028,781	-	-	6,028,781
	Department of Sports Development	9188-219-0-2-0-14-0	Mobilization	0	-	-	0
219	Department of Sports Development	9188-219-0-2-0-24-0	Mobilization	5,000,000	-	-	5,000,000
	Department of Sports Development	9188-219-0-2-0-25-0	Mobilization	1,398,300	-	-	1,398,300
	Sri Lanka Army	9188-222-0-1-0-20-0	Rent	875,000	-	875,000	-
	Sri Lanka Army	9188-222-0-1-0-22-0	Rent	95,000	-	95,000	-
	Sri Lanka Army	9188-222-0-1-0-27-0	Rent	495,000	-	495,000	-
222	Sri Lanka Army	9188-222-0-1-0-28-0	Rent	-	7,500,000	6,562,500	937,500
	Sri Lanka Army	9188-222-0-1-0-29-0	Rent	-	5,490,000	5,490,000	-
	Sri Lanka Army	9188-222-0-1-0-30-0	Rent	-	11,550,000	9,625,000	1,925,000
	Sri Lanka Army	9188-222-0-1-0-31-0	Rent	-	2,400,000	1,100,000	1,300,000
	Sri Lanka Army	9188-222-0-1-0-32-0	Rent	-	13,800,000	8,625,000	5,175,000
	Courts Administration	9188-228-0-2-0-27-0	Mobilization	4,269,798	-	4,269,798	-
	Courts Administration	9188-228-0-2-0-30-0	Mobilization	12,095,935	-	12,095,935	-
	Courts Administration	9188-228-0-2-0-46-0	Mobilization	1,844,562	-	1,844,562	-
	Courts Administration	9188-228-0-2-0-50-0	Mobilization	13,887,604	-	13,887,604	-
	Courts Administration	9188-228-0-2-0-51-0	Mobilization	74,891,431	-	13,497,078	61,394,353
	Courts Administration	9188-228-0-2-0-65-0	Mobilization	35,079,794	-	20,250,935	14,828,859
	Courts Administration	9188-228-0-2-0-73-0	Mobilization	18,706,291	-	1,200,000	17,506,291
	Courts Administration	9188-228-0-2-0-77-0	Mobilization	46,820,265	-	46,820,265	-
228	Courts Administration	9188-228-0-2-0-81-0	Mobilization	28,000,000	-	28,000,000	-
	Courts Administration	9188-228-0-2-0-82-0	Mobilization	30,506,282	7,698,251	18,726,765	19,477,769
	Courts Administration	9188-228-0-2-0-83-0	Mobilization	9,156,966	-	9,156,966	-
	Courts Administration	9188-228-0-2-0-84-0	Mobilization	-	2,869,304	2,869,304	-
	Courts Administration	9188-228-0-2-0-85-0	Mobilization	-	32,980,000	-	32,980,000
	Courts Administration	9188-228-0-2-0-86-0	Mobilization	-	2,310,220	371,515	1,938,705
	Courts Administration	9188-228-0-2-0-87-0	Mobilization	-	76,271,186	43,151,811	33,119,375
	Courts Administration	9188-228-0-2-0-88-0	Mobilization	-	7,550,328	-	7,550,328
	Courts Administration	9188-228-0-2-0-89-0	Mobilization	-	11,776,712	-	11,776,712
	Department of Prisons	9188-232-0-2-0-1-0	Mobilization	2,693,381	-	2,693,381	-
	Department of Prisons	9188-232-0-2-0-2-0	Mobilization	1,931,381	-	1,931,381	-
	Department of Prisons	9188-232-0-2-0-3-0	Mobilization	-	12,839,564	12,839,564	-
	Department of Prisons	9188-232-0-2-0-4-0	Mobilization	-	8,627,503	2,230,777	6,396,726

18 RENT AND WORK ADVANCE ACCOUNT

Rs.

Head	Ministry/Department	Account Number	Type	Opening Balance as at 01.01.2025	Additions	Settlements	Closing Balance as at 31.12.2025
232	Department of Prisons	9188-232-0-2-0-5-0	Mobilization	-	8,627,503	2,230,777	6,396,726
	Department of Prisons	9188-232-0-2-0-6-0	Mobilization	-	59,322,034	-	59,322,034
	Department of Prisons	9188-232-0-2-0-7-0	Mobilization	-	42,001,456	-	42,001,456
	Department of Prisons	9188-232-0-2-0-8-0	Mobilization	-	2,824,745	-	2,824,745
	Department of Prisons	9188-232-0-2-0-9-0	Mobilization	-	10,025,291	-	10,025,291
244	Department of Trade and Investment Policy	9188-244-0-1-0-1-0	Rent	-	1,512,000	-	1,512,000
247	Sri Lanka Customs	9188-247-0-1-0-1-0	Rent	780,000	-	-	780,000
261	District Secretariat - Galle	9188-261-0-2-0-10-0	Mobilization	62,907,171	-	-	62,907,171
	District Secretariat - Galle	9188-261-0-2-0-11-0	Mobilization	30,393,751	-	-	30,393,751
	District Secretariat - Galle	9188-261-0-2-0-12-0	Mobilization	106,648,467	-	-	106,648,467
	District Secretariat - Galle	9188-261-0-2-0-6-0	Mobilization	100,000,000	-	-	100,000,000
	District Secretariat - Galle	9188-261-0-2-0-7-0	Mobilization	30,000,000	-	-	30,000,000
	District Secretariat - Galle	9188-261-0-2-0-9-0	Mobilization	5,139,892	-	-	5,139,892
270	District Secretariat, Ampara	9188-270-0-2-0-1-0	Mobilization	-	11,770,000	1,237,765	10,532,235
279	District Secretariat - Kegalle	9188-279-0-2-0-2-0	Mobilization	-	19,004,281	19,004,281	-
290	Department of Fisheries and Aquatic Resources	9188-290-0-1-0-1-0	Rent	591,037	-	-	591,037
296	Department of Import and Export Control	9188-296-0-1-0-1-0	Rent	-	100,000	-	100,000
337	Department of Cinnamon Industry Development	9188-337-0-2-0-1-0	Mobilization	21,857,212	-	21,857,212	-
	Total			**1,260,896,738**	**1,177,852,135**	**648,321,751**	**1,790,427,121**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		2025	Restated 2024
		Rs.	Rs.
19	**ADVANCES TO GOVERNMENT DEPARTMENTS**		
	Treasury Authorized Advance Account (7000)	16,631,895,427	16,761,960,629
		16,631,895,427	**16,761,960,629**

Notes to the Financial Statements
for the Year Ended 31st December 2025

20 ON LENDING

	Institution	Balance as at 01.01.2025	Parity Variance/ Adjustment as at 01.01.2025	Revolving Recoveries/ Disbursement as at 01.01.2025	Total Balance as at 01.01.2025	New Loan During 2025	Amount Settled During 2025	Equity Conversion During 2025	Balance as at 31.12.2025	Parity Variance as at 31.12.2025	Revolving Recoveries/ Disbursement as at 31.12.2025	Adjustments as at 31.12.2025	Total Balance as at 31.12.2025
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.
1	Sri Lanka Ports Authority	63,687,160,188	(6,800,000,994)		56,887,159,194	-	5,671,581,434		51,215,577,760	3,027,319,947	-	-	54,242,897,707
2	Development Finance Corporation of Ceylon	14,075,686,642	(77,144,624)	(242,362,364)	13,756,179,654	497,552,134	1,443,120,344		12,810,611,444	27,609,900	(218,580,077)		12,619,641,268
3	Regional Development Bank (Lankaputhra Dev. Bank)	3,691,361,548	(377,890,148)	-	3,313,471,400	-	288,207,432		3,025,263,968	166,389,999	-		3,191,653,967
4	People's Bank	6,802,437,252	-	(77,808,005)	6,724,629,247	285,764,634	528,314,788		6,482,079,093	-	(90,921,343)	-	6,391,157,749
5	National Development Bank	10,985,461,801	-	(376,888,463)	10,608,573,339	443,329,500	721,392,701		10,330,510,138	-	(391,610,963)		9,938,899,175
6	Colombo Municipal Council	2,038,895,709	-	-	2,038,895,709	-	252,645,470		1,786,250,239				1,786,250,239
7	National Water Supply & Drainage Board	4,443,221,863	-	-	4,443,221,863	-	-		4,443,221,863	-	-		4,443,221,863
8	Sampath Bank Ltd.	7,241,055,565	-	(293,069,822)	6,947,985,743	590,706,854	781,541,991		6,757,150,607	-	(204,351,853)		6,552,798,754
9	Hatton National Bank PLC	9,642,869,695	-	(114,778,853)	9,528,090,842	497,463,057	880,361,264		9,145,192,635	-	(104,098,290)		9,041,094,345
10	Commercial Bank of Ceylon PLC	10,754,360,859	(35,092,662)	(263,423,793)	10,455,844,404	1,191,866,686	911,632,448		10,736,078,641	-	(275,557,024)		10,460,521,618
11	Nations Trust Bank	6,900,283,704	-	-	6,900,283,704	401,791,057	717,307,578		6,584,767,183	-	-	-	6,584,767,183
12	Seylan Bank PLC	6,223,244,552	-	(295,647,730)	5,927,596,822	373,553,000	560,344,782		5,740,805,040		(311,210,074)		5,429,594,966
13	Sarvodaya Economic & Enterprises Dev.	536,970,760	-	-	536,970,760	-	85,575,000		451,395,760				451,395,760
14	Local Loan Development Fund	3,690,192,789			3,690,192,789		246,448,736		3,443,744,053				3,443,744,053
15	Bank of Ceylon	8,391,829,618	-	(43,534,329)	8,348,295,288	763,953,671	772,513,154		8,339,735,805	-	(95,252,694)		8,244,483,111
16	Regional Development Bank	9,441,684,139	-	(194,301,938)	9,247,382,201	911,525,000	868,923,067		9,289,984,134	-	(257,946,151)		9,032,037,983
17	Sanasa Development Bank (IFAD 283)	11,114,479	-	-	11,114,479	-	-	-	11,114,479	-	-	-	11,114,479
18	Sanasa Development Bank	2,340,097,722	-	(83,879,050)	2,256,218,672	238,176,951	241,390,716	-	2,253,004,907	-	(88,221,300)		2,164,783,607
19	Min.of Agricultural Dev. Agrarian Services	2,261,188,613	-	-	2,261,188,613	-	-	-	2,261,188,613	-	-	-	2,261,188,613
20	Revolving Funds with Central Bank of Sri Lanka	6,875,066,481	343,561,209	1,985,694,347	9,204,322,037	1,463,676,399	3,905,029,313	-	6,762,969,123	-	2,037,749,767	363,240,912	9,163,959,802
21	HDFC / NHDA	61,937,599	-	-	61,937,599	-	9,685,528		52,252,072	-	-	-	52,252,072
22	Airport & Aviation Services (Sri Lanka) Ltd	7,668,093,308	(1,518,158,858)	-	6,149,934,450	-	1,160,995,990	-	4,988,938,460	363,381,678	-	-	5,352,320,138
23	Pan Asia Banking Corporation PLC	1,091,538,440	-	-	1,091,538,440	249,529,334	118,719,680	-	1,222,348,094	-	-	-	1,222,348,094

20 ON LENDING

	Institution	Balance as at 01.01.2025	Parity Variance/ Adjustment as at 01.01.2025	Revolving Recoveries/ Disbursement as at 01.01.2025	Total Balance as at 01.01.2025	New Loan During 2025	Amount Settled During 2025	Equity Conversion During 2025	Balance as at 31.12.2025	Parity Variance as at 31.12.2025	Revolving Recoveries/ Disbursement as at 31.12.2025	Adjustments as at 31.12.2025	Total Balance as at 31.12.2025
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.
24	Union Bank of Colombo Plc	2,325,293,761	-	-	2,325,293,761	209,600,000	118,719,680	-	2,416,174,081	-	-	-	2,416,174,081
25	State Mortgage and Investment Bank	-	-	-	-	5,000,000	-	-	5,000,000	-	-	-	5,000,000
26	Central Bank - Safety Net Strengthening Project	-	-	-	-	-	-	-	-	-	-	30,009,012,070	30,009,012,070
	On Lending Based on Foreign Aids	**191,181,047,088**	**(8,464,726,077)**	**0**	**182,716,321,011**	**8,123,488,277**	**20,284,451,095**	**-**	**170,555,358,192**	**3,584,701,524**	**-**	**30,372,252,982**	**204,512,312,699**
27	Local Loans & Development Fund	42,591,909	-	-	42,591,909	-	12,215,537		30,376,372	-	-	-	30,376,372
28	Sri Lanka Rubber Manufacture & Dev. Corporation	755,601,786	-	-	755,601,786	-	8,618,298	-	746,983,488	-	-	-	746,983,488
29	AHF Loan Scheme 2004/ 2005	-			-				-	-	-	-	-
30	Petroleum Development Authority	238,036,731	-	-	238,036,731	-	15,858,239		222,178,492	-	-	-	222,178,492
31	Department of Treasury Operations - (PLGF)	916,231,000	-	-	916,231,000	-	701,835,632		214,395,368	-	-	-	214,395,368
32	Regional Development Bank EYWE	50,000,000	-	-	50,000,000	-	-		50,000,000	-	-		50,000,000
33	Central Bank - SEPI Loan Scheme	100,133,499	-	-	100,133,499	24,700,000	35,099,302	-	89,734,197	-	-		89,734,197
34	MSME Loan Scheme - Re-energizing	10,185,147,493	-	-	10,185,147,493	14,708,001,542	2,130,634,086	-	22,762,514,950	-	-	-	22,762,514,950
35	SMELOC 2 - Revolving	-	-	-	-	511,103,327	-	-	511,103,327	-	-	-	511,103,327
36	MSME Loan Scheme - Disaster Relief	-	-	-	-	5,000,000,000	-	-	5,000,000,000	-	-	-	5,000,000,000
	On Lending Based on Domestic Funds	**12,287,742,418**	**-**	**-**	**12,287,742,418**	**20,243,804,869**	**2,904,261,094**	**-**	**29,627,286,194**	**-**	**-**	**-**	**29,627,286,194**
	TOTAL	**203,468,789,506**	**(8,464,726,077)**	**0**	**195,004,063,429**	**28,367,293,146**	**23,188,712,190**	**-**	**200,182,644,386**	**3,584,701,524**	**-**	**30,372,252,982**	**234,139,598,892**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		2025 Rs.	Restated 2024 Rs.
21	**ADVANCES TO PUBLIC OFFICERS**		
	Advances to Public Officers of the Central Government (8493)	37,658,607,746	32,268,124,829
	Advances to Public Officers Transferred to Provincial Councils (7004)	191,466,910	191,466,910
		37,850,074,656	**32,459,591,739**
22	**CASH & CASH EQUIVALENT**		
	Central Bank of Sri Lanka - IDA Special Dollar Accounts (8813)	7,900,736,675	8,137,487,178
	Treasury Authorized Imprest Account (7002)	41,257,577,637	6,509,848,256
	DST Cash Account (8020) Note - **22(I)**	1,057,607,201,323	893,003,770,065
	ADB Loan SLCB Special Dollar Account (8918)	15,265,068,207	27,318,751,827
	Special Foreign Currency French Development Agency Account (9125)	87,323,872	233,741,826
	Treasury Authorized Imprest Account (RFA) (7003)	4,630,672	1,870,883
	Crown Agent Current Account (8030)	-	37,815,536
	International Fund for Agriculture Development Special Dollar Account (8973)	2,237,092,126	3,997,075,708
	Central Bank Special Dollar Account for Asian Infrastructures Investment Bank (9200)	4,653,674,579	6,534,678,138
	Central Bank Special Yen Account (9094)	349,408,658	543,192,139
	OPEC Fund Loan Account (9216)	193,038,307	373,468,988
	European Investment Bank Special Dollar Account (9224)	743,278,111	-
		1,130,299,030,166	**946,691,700,543**
	Bank Overdrafts		
	DST Cash Account (8020) Note - **22(I)**	(141,783,463,304)	(87,891,541,016)
	Temporary Employed Balances of CBSL (8192)	(50,965,496,026)	(17,385,273,972)
		(192,748,959,330)	**(105,276,814,988)**
	Balance as at 31st December	**937,550,070,837**	**841,414,885,555**
22(I)	**Sub Accounts of DST Accounts (8020)**		
	Bank of Ceylon - 0002026450	(78,230,091,541)	(64,148,978,955)
	Peoples Bank - 014100130110432	(63,553,371,763)	(23,742,562,061)
	Central Bank of Sri Lanka - 50516	2,968,026,802	1,305,596,753
	Central Bank of Sri Lanka - 45013	27,132,127,917	29,660,536,026
	Central Bank of Sri Lanka - 45039	105,803,234,445	31,045,056,765
	Central Bank of Sri Lanka - 50550	2,435,425,326	1,642,887,484
	Central Bank of Sri Lanka - 50557	-	0.50
	Central Bank of Sri Lanka - 50558	-	0.20
	Central Bank of Sri Lanka - 50559	4,229,841,854	6,386,016,732
	Central Bank of Sri Lanka - 73139	9,331	8,367
	Bank of Ceylon - 939020408	-	100,000,000,000
	Bank of Ceylon - 93928808	-	200,000,000,000
	Bank of Ceylon - 93832989	-	100,000,000,000
	Bank of Ceylon - 93890983	-	250,000,000,000
	Bank of Ceylon - 93890992	-	100,000,000,000
	Bank of Ceylon - 90920763	156,847,538,795	54,383,290,289
	Peoples Bank - 014200149026649	58,171,682,354	18,580,377,649
	Bank of Ceylon - 0093921832	19,314,499	-
	Bank of Ceylon - 94292649	150,000,000,000	-
	Bank of Ceylon - 95597313	100,000,000,000	-
	Bank of Ceylon - 95628883	150,000,000,000	-
	Bank of Ceylon - 95759817	100,000,000,000	-
	Peoples Bank - 0146001000258704	100,000,000,000	-
	Peoples Bank - 0146001000266072	100,000,000,000	-
		915,823,738,019	**805,112,229,050**

Notes to the Financial Statements
for the Year Ended 31st December 2025

		2025 Rs.	Restated 2024 Rs.
23	**FOREIGN LOAN ADJUSTMENT ACCOUNTS**		
	Reimbursable Foreign Aid Adjustment Account (8760)	2,838,714,189	2,865,461,545
	IDA Adjustment Account (8814)	23,809,981,233	24,000,811,714
	ADB Special Dolor Adjustment Account (8919)	23,406,720,287	21,311,399,015
	CBSL Special Dollar Account (International Fund for Agr. Dev. Adjustment Account) (8974)	1,557,106,038	1,381,906,713
	CBSL Adjustment Account (Yen) - (9095)	1,888,912,494	2,444,277,471
	Special Foreign Currency Adjustment Account (9126)	1,569,271,663	1,569,269,394
	Adjustment Account for Asian Infrastructures Investment Bank (9201)	331,608,773	595,530,642
	OPEC Fund Adjustment Account (9217)	192,100,572	(5,427,141)
	European Investment Bank Adjustment Account (9225)	59,791,216	-
		55,654,206,465	**54,163,229,354**
	Less: Exchange Gain / Loss	(2,052,526,806)	3,862,677,744
		53,601,679,659	**58,025,907,098**
24	**MISCELLANEOUS FUNDS**		
	Public Service Provident Fund Account (8098)	(4,763,212)	(4,763,212)
	Teachers' Widows & Orphans Pension Fund (8186)	4,505,645,878	3,792,866,171
		4,500,882,666	**3,788,102,959**
25	**GENERAL FUND**		
	Consolidated Fund	1,210,652,793,655	1,318,179,126,037
	Impact on Borrowings	(31,111,050,173,659)	(29,627,609,630,785)
	Impact on Investments	7,993,842,613,928	7,252,663,595,868
	Investment on Public Infrastructure Development	125,619,518,303	105,730,725,413
	Prior YearAdjustment - Exchange Loss	-	(3,862,677,744)
	Exchange Gain	2,052,526,806	-
		(21,778,882,720,966)	**(20,954,898,861,212)**
26	**GOVERNMENT BORROWINGS**		
	Domestic		
	Treasury Bills (8085)	3,137,874,000,000	4,070,414,000,000
	Treasury Bonds (9093)	15,559,477,527,513	14,130,862,070,786
	Foreign Currency Banking Units (Projects) (9196) Note **26(I)**	14,209,079,797	16,267,506,482
	Suhurupaya Loan Account of Ministry of Defence (9198)	2,844,598,012	3,413,517,614
	Treasury Bond Account (Active Liability Management Act) (9202)	8,000,000,000	8,000,000,000
	Retirement Gratuity Loan Account (9207)	36,713,035,128	40,783,451,697
	Lease Creditors (9181)	797,263,150	1,031,721,564
	Term Loan Account - People's Bank (9218) Note **26(V)**	169,334,094,011	159,823,300,125
	Term Loan Account - Bank of Ceylon (9220) Note **26(V)**	490,322,027,283	462,782,672,220
	Domestic Dollar Bond Account (9226)	15,499,720,000	-
	Total Borrowings - Domestic (a)	**19,435,071,344,894**	**18,893,378,240,487**
	Foreign		
	Foreign (Projects) (8343) Note **26(II)**	7,747,918,377,159	6,918,539,590,025
	Foreign Currency Term Financing Facility (9190) Note **26(III)**	749,024,040,008	715,519,649,770
	International Sovereign Bond (9194) Note **26(IV)**	3,179,036,411,597	3,100,172,150,503
	Total Foreign Borrowings (b)	**11,675,978,828,765**	**10,734,231,390,299**
	Total Borrowings = (a)+(b)	**31,111,050,173,659**	**29,627,609,630,786**

		2025	Restated 2024
		Rs.	Rs.
27	**SUNDRY ACCOUNTS**		
27.1	**SUNDRY ACCOUNTS - DEBIT BALANCES**		
	Public Service Mutual Guarantee Association (8013)	1,310,270	-
	Foreign Sub Loan Balances Adjustment Account (9213)	19,689,857,244	19,411,493,609
	International Sovereign Bond Receivable Account (9222)	146,340,550	146,340,550
	India Credit Line Settlement Account (9223)	675,611,737	2,194,632,141
		20,513,119,801	**21,752,466,301**
27.2	**SUNDRY ACCOUNTS - CREDIT BALANCES**		
	Public Service Mutual Guarantee Association (8013)	-	1,286,611
	Parity Variance Account on Crown Agent Account (8029)	122,606,023	124,638,937
		122,606,023	**125,925,548**
	Balance as at 31st December	**20,390,513,778**	**21,626,540,752**
28	**ACCOUNTS OPERATING WITH GOVERNMENT DEPARTMENTS**		
28.1	**ACCOUNTS OPERATING WITH GOVERNMENT DEPARTMENTS - DEBIT BALANCES**		
	General Manager - Railway Department (8003)	-	195,617,931
	Director General of Customs (8005)	44,948,961	10,983,438,444
	Treasury Bill Discount Account (9187)	374,595,676,129	485,686,182,425
	Discount on Treasury Bill Issuance (9193)	70,245,922,277	115,564,786,723
		444,886,547,367	**612,430,025,523**
28.2	**ACCOUNTS OPERATING WITH GOVERNMENT DEPARTMENTS - CREDIT BALANCES**		
	Treasury Operations Department (9092)	-	276,537,885
	Non Operating Accounts (9100)	4,730,130,295	4,730,130,295
	Agency Transaction in Postal Department (9184)	1,044,576,062	646,291,226
	Value Added Control Account (9185)	591,275,503	498,505,468
	Treasury Bond Premium Account (9186)	49,380,491,010	32,500,502,870
	Accrued Interest on Treasury Bond (9192)	8,085,180,279	9,070,463,740
		63,831,653,149	**47,722,431,484**
	Balance as at 31st December	**381,054,894,218**	**564,707,594,039**
29	**DEPOSITS**		
	Treasury General Deposit Account (6000)	127,125,736,064	105,243,946,916
		127,125,736,064	**105,243,946,916**

26(i) FOREIGN CURRENCY BANKING UNIT LOAN (PROJECT) BALANCES (9196)

	Bank	Loan Key	Project	Loan Currency	Balance as at 01-01-2025		Disbursements accounted during the year		Repayments		Parity Adjustment	Closing Balance as at 31.12.2025	
					Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.		Loan Currency Amount	Rs.
1	PB	2011034	Kolonna - Balangoda Water Supply Project	EUR	1,508,815	459,531,574			1,120,843	390,220,229	71,896,542	387,972	141,207,887
2	PB	2012005	Greater Dambulla Water supply Project I	USD	2,138,750	625,762,667			1,425,833	428,610,563	23,848,318	712,917	221,000,422
3	PB	2012013	Development of Hambantota General Hospital	EUR	1,171,053	356,661,234			585,527	192,142,559	48,591,949	585,526	213,110,624
4	PB	2012014	Development of Nuwara Eliya District General Hospital	EUR	983,623	299,576,616			491,810	161,389,143	40,814,819	491,813	179,002,292
5	HNB	2014014	Moneragala - Buttala Integrated Water Supply Scheme	LKR	528,018,376	528,018,375			117,337,417	117,337,417		410,680,959	410,680,958
6	PB	2015020	Kolonna - Balangoda Water Supply Project - Additional Financing	LKR	127,980,827	127,980,828			29,127,500	29,127,500		98,853,327	98,853,328
7	HNB	2015035	Establishment of Clinical Waste Management Systems in the Needy Hospitals Project	LKR	154,973,507	154,973,507			28,177,002	28,177,002		126,796,505	126,796,505
8	HNB	2016002	Anamaduwa Integrated Water Supply Project	LKR	602,562,557	602,562,557			109,556,840	109,556,840		493,005,717	493,005,717
9	HNB	2016042	Southern Expressway Sec 02 Beliatta to Wetiya	LKR	3,883,802,979	3,883,802,979			597,508,200	597,508,200		3,286,294,779	3,286,294,779
10	HNB	2017044	Pilot Project on Establishment of a Ground Water Monitoring Network in 03 Selected Districts	LKR	410,329,132	410,329,132			48,274,016	48,274,016		362,055,116	362,055,116
11	HNB	2017045	Procuring of 09 no Diesel Multiple Units	USD	11,107,188	3,249,777,476			574,759	174,538,174	189,754,530	10,532,429	3,264,993,832
12	PB	2018034	Widening & Improvement of 64.31 Km roads & Reconstruction of 13 Bridges in the Central & Uva Province of SL	USD	9,077,229	2,655,845,676			604,726	183,638,333	154,221,277	8,472,503	2,626,428,620
13	PB	2019031	Upgrading Health Facilities in selected Hospitals in Sri Lanka	LKR	1,680,754,724	1,680,754,725			186,750,525	186,750,525		1,494,004,199	1,494,004,200
14	Sampath	2019037	Establishment of National and the Obstetrics Reference Center for the De Zoyza Maternity National Hospital Project	EUR	4,044,886	1,231,929,138			496,062	172,727,273	232,443,655	3,548,824	1,291,645,519
			Total			**16,267,506,482**	**-**	**-**		**2,819,997,774**	**761,571,090**		**14,209,079,798**

26(ii) STATEMENT OF FOREIGN LOAN BALANCES (8343)

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
	AB Svensk Ex.Credit																			
1	2007029	Ratmalana & Ja-Ela Waste Water Treatment Facilities Project (Sweden)	USD	34,652,048	10,138,610,335													603,330,260	34,652,048	10,741,940,595
	Asian Development Bank (ADB)																			
2	1985003	Trunk Roads Improvement Project	XDR	806,485	307,727,801									806,485	322,099,750			14,371,949	-	-
3	1985004	Development Financing Project	XDR	738,465	281,773,636									738,465	298,331,303			16,557,667	-	-
4	1986020	Kirindioya Irrigation & Settlement Project	XDR	996,678	380,299,185									498,800	200,513,743			31,582,342	497,878	211,367,784
5	1987001	Agricultural Inputs Programme	XDR	2,068,342	789,210,435									1,034,600	415,899,071			65,550,677	1,033,742	438,862,041
6	1987002	Water Supply Sector Project	XDR	1,980,977	755,874,868									990,800	394,782,351			59,274,556	990,177	420,367,073
7	1987003	Land Use Planning Project	XDR	480,863	183,481,289									240,200	95,707,229			14,396,361	240,663	102,170,421
8	1988002	1st Small & Medium Industries Project	XDR	1,291,599	492,831,218									430,400	172,579,103			45,358,986	861,199	365,611,101
9	1988003	Emergency Road Restoration Project	XDR	632,068	241,176,086									253,462	104,461,710			24,017,994	378,606	160,732,370
10	1988004	Secondary Towns Power Distribution Project ii	XDR	3,301,218	1,259,634,752									1,100,000	448,838,306			123,702,707	2,201,218	934,499,153
11	1988005	Second Road Improvement Project	XDR	2,798,557	1,067,836,069									1,119,238	461,281,835			106,379,325	1,679,319	712,933,559
12	1988008	2nd Technical Education Project	XDR	2,136,586	815,250,058									711,600	290,357,582			80,067,220	1,424,986	604,959,696
13	1988013	Emergency Schools Restoration Project	XDR	1,498,714	571,859,391									428,600	171,208,531			53,652,469	1,070,114	454,303,329
14	1988062	Perennial Crops Development Project	XDR	1,529,097	583,452,533									437,000	174,121,811			54,305,210	1,092,097	463,635,932
15	1988063	2nd Development Financing Project	XDR	5,104,047	1,947,534,432									1,134,400	453,147,359			190,876,215	3,969,647	1,685,263,288
16	1989011	Smallholder Tea Development Project	XDR	1,954,066	745,606,547									489,000	194,841,111			71,209,747	1,465,066	621,975,183
17	1989067	Agriculture Rehabilitation Project	XDR	2,731,033	1,042,071,202									607,200	242,552,077			102,127,176	2,123,833	901,646,301
18	1989068	Agriculture Programme	XDR	13,520,724	5,159,057,887									2,704,200	1,103,407,769			536,367,608	10,816,524	4,592,017,726
19	1990025	Power System Expansion (Sector Loan) Project	XDR	11,623,303	4,435,065,181									2,113,600	840,563,983			442,722,228	9,509,703	4,037,223,426
20	1990046	Second Telecommunication Project	XDR	4,583,249	1,748,815,204									833,600	340,137,830			183,188,497	3,749,649	1,591,865,871
21	1990051	Financial Sector Programme	XDR	14,649,325	5,589,694,693									2,441,800	996,339,432			589,194,549	12,207,525	5,182,549,810
22	1991017	2nd Small & Medium Industries Project	XDR	5,090,622	1,942,411,683									783,200	314,042,642			200,292,093	4,307,422	1,828,661,134
23	1991029	3rd Development Financing Project	XDR	9,055,085	3,455,118,708									1,293,400	516,984,064			356,989,931	7,761,685	3,295,124,575
24	1991034	Low-Income Housing Development	XDR	3,593,851	1,371,293,881									553,000	219,605,864			139,266,673	3,040,851	1,290,954,690
25	1991055	Second Agriculture Programme	XDR	5,373,968	2,050,527,418									767,800	304,906,658			209,869,569	4,606,168	1,955,490,329
26	1991056	Southern Province Rural Development Project	XDR	7,734,329	2,951,162,253									1,189,800	490,361,168			317,595,430	6,544,529	2,778,396,515
27	1991061	Special Operation-Merchant Bank	XDR	145,457	55,501,545									26,800	10,712,195			5,584,970	118,657	50,374,320
28	1992029	N-W Province Water Resources Development Project	XDR	3,879,955	1,480,461,603									484,800	192,522,463			153,430,772	3,395,155	1,441,369,912
29	1992039	Participatory Forestry Project	XDR	1,980,870	755,834,081									220,000	87,936,055			79,657,000	1,760,870	747,555,026
30	1992040	Second Health & Population Project	XDR	4,657,821	1,777,269,346									621,000	255,937,375			192,449,070	4,036,821	1,713,781,041
31	1993002	Fisheries Sector Project	XDR	5,695,034	2,173,035,196									712,000	285,232,227			227,680,682	4,983,034	2,115,483,651
32	1993003	Urban Development Sector Project	XDR	5,995,129	2,287,541,535									749,200	306,864,955			246,415,895	5,245,929	2,227,092,475
33	1993029	Second Water Supply & Sanitation Project	XDR	9,623,390	3,671,965,176									1,132,400	453,647,436			386,424,241	8,490,990	3,604,741,981
34	1993030	Secondary Education Development Project	XDR	7,991,611	3,049,332,568									888,000	353,151,409			319,566,598	7,103,611	3,015,747,757
35	1993041	Financial Management Training Project	XDR	2,926,563	1,116,679,036									325,200	129,329,770			117,026,387	2,601,363	1,104,375,653
36	1994026	Fourth Development Financing Project	XDR	19,661,679	7,502,242,075									2,069,800	821,953,376			788,120,228	17,591,879	7,468,408,927
37	1995006	Third Road Improvement Project	XDR	14,369,729	5,483,009,959									1,437,200	570,736,979			578,067,835	12,932,529	5,490,340,815
38	1996001	Plantation Reform Project	XDR	16,192,886	6,178,665,910									1,542,200	635,598,414			676,694,998	14,650,686	6,219,762,494
39	1996002	Second Power System Expansion Project	XDR	23,362,293	8,914,273,098									2,123,800	875,297,569			977,557,005	21,238,493	9,016,532,534
40	1996028	Emergency Rehabilitation Petroleum Facilities	XDR	7,724,529	2,947,423,199									702,400	289,485,362			323,218,027	7,022,129	2,981,155,864
41	1996059	NCP Rural Development Project	XDR	5,536,046	2,112,370,685									481,400	198,402,980			231,917,929	5,054,646	2,145,885,634
42	1998004	Upper Watershed Management Project	XDR	3,978,055	1,517,893,326									318,200	127,473,166			163,324,808	3,659,855	1,553,744,968
43	1998005	3rd Water Supply & Sanitation Sector	XDR	28,946,259	11,044,928,698									2,226,600	891,991,680			1,190,555,064	26,719,659	11,343,492,082
44	1998006	Southern Provincial Road Improvement Project	XDR	10,954,877	4,180,016,373									842,800	337,631,629			450,569,243	10,112,077	4,292,953,987
45	1998018	Second Perennial Crops Development Project	XDR	6,679,758	2,548,773,277									514,000	204,118,290			272,939,334	6,165,758	2,617,594,321
46	1998019	Science & Technology Personals Development Project	XDR	6,911,577	2,637,227,659									553,000	226,503,366			288,728,853	6,358,577	2,699,453,146
47	1998059	Urban Development & Low-Income Housing Sector	XDR	25,174,775	9,605,855,850									1,864,800	763,803,758			1,053,902,649	23,309,975	9,895,954,741
48	1999002	Coastal Resource Management Project	XDR	7,746,671	2,955,871,647									1,106,670	442,346,337			305,402,740	6,640,001	2,818,928,050
49	1999004	Road Network Improvement Project	XDR	35,670,611	13,610,717,361									2,547,800	1,018,379,460			1,469,530,887	33,122,811	14,061,868,788
50	1999005	Tea Development Project	XDR	12,958,267	4,944,443,242									960,000	383,720,493			532,989,200	11,998,267	5,093,711,949
51	1999045	Skills Development Project	XDR	3,792,650	1,447,148,856									541,804	216,564,120			149,520,549	3,250,846	1,380,105,285
52	1999057	Southern Transport Development Project	XDR	18,786,548	7,168,320,995									2,683,790	1,069,350,962			737,251,226	16,102,758	6,836,221,259
53	2000032	Forest Resources Management Sector Project	XDR	5,255,468	2,005,311,615									700,732	288,797,916			217,141,661	4,554,736	1,933,655,360
54	2000044	Secondary Education Modernization Project	XDR	11,819,683	4,509,997,479									1,575,958	645,496,910			484,362,831	10,243,725	4,348,843,400
55	2000045	Water Resources Management Project	XDR	401,112	153,050,983									53,484	22,042,759			16,572,843	347,628	147,581,067
56	2000055	Protected Area Mgt. & Wildlife Conserv. Project	XDR	2,585,012	986,354,548									344,668	141,172,623			105,927,723	2,240,344	951,109,648
57	2001003	Colombo Fort Efficiency and Expansion Project	XDR	2,162,201	825,023,859									240,244	95,724,759			86,643,311	1,921,957	815,942,411

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
58	2001004	North East Community Restoration & Dev. Project	XDR	6,586,098	2,513,035,767									731,788	291,579,520			263,916,810	5,854,310	2,485,373,057
59	2002001	Southern Province Rural Economic Adva. Project	XDR	7,007,039	2,673,652,995									778,558	310,214,936			280,784,646	6,228,481	2,644,222,705
60	2002002	Small & Medium Enterpr.Sector Dev. Programme	XDR	960,274	366,408,596									960,274	393,108,366			26,699,770	-	-
61	2002003	SME- Business Service Facility Project	XDR	421,738	160,921,165									46,860	19,120,512			17,349,028	374,878	159,149,681
62	2002006	Power Sector Development Project	XDR	22,336,101	8,522,712,342									2,233,610	892,237,724			903,782,626	20,102,491	8,534,257,244
63	2002007	Aquatic Resource & Quality Improvement	XDR	3,908,529	1,491,364,490									411,422	166,734,919			160,022,768	3,497,107	1,484,652,339
64	2002008	Plantation Development Project	XDR	2,328,731	888,566,166									245,128	101,026,435			97,027,440	2,083,603	884,567,171
65	2003001	Road Sector Development	XDR	16,803,054	6,411,485,797									1,680,304	669,513,893			678,199,474	15,122,750	6,420,171,378
66	2003003	Aquatic Resource Dev. & Quality Improvement	JPK	155,178	290,213,175									57,592	116,986,890			20,129,852	97,586	193,356,137
67	2003004	Secondary Towns & Rural Community Water /Sanitation	XDR	19,009,178	7,253,269,177									1,900,916	775,639,926			785,465,948	17,108,262	7,263,095,199
68	2003005	Distance Education Modernization Project	XDR	10,442,191	3,984,392,361									994,496	398,402,120			424,908,686	9,447,695	4,010,898,927
69	2004002	Rural Finance Sector Development Programme	USD	3,152,898	922,485,238									676,638	201,947,880			47,089,303	2,476,260	767,626,661
70	2004003	Rural Finance Sector Development Programme	XDR	1,650,691	629,848,747									150,064	59,593,008			66,816,413	1,500,627	637,072,152
71	2004004	Conflict Affected Areas Rehabilitation Project	XDR	25,733,061	9,818,879,320									1,354,400	537,855,665			1,068,627,434	24,378,661	10,349,651,089
72	2004005	North East Coastal Community Div. Project	XDR	5,857,418	2,234,995,664									532,492	211,461,782			237,095,832	5,324,926	2,260,629,714
73	2004006	TA Loan -Road Project Preparatory Facility	XDR	4,581,300	1,748,071,675									416,482	166,998,348			187,047,431	4,164,818	1,768,120,758
74	2004007	North East Community Restoration & Development Project	XDR	4,498,177	1,716,354,569									230,800	91,654,673			186,960,830	4,267,377	1,811,660,726
75	2004008	Secondary Education Modernization II	XDR	11,102,643	4,236,398,740									965,446	395,437,196			462,656,577	10,137,197	4,303,618,121
76	2004010	Strengthening of the Fiscal Management Institutions Project	XDR	2,326,467	887,702,386									193,872	79,408,067			97,071,833	2,132,595	905,366,152
77	2004011	Modernization of Revenue Administration	USD	5,276,359	1,543,774,332									860,824	261,670,944			86,687,733	4,415,535	1,368,791,121
78	2004012	Conflict Affected Areas Rehabilitation Project	USD	18,842,786	5,513,084,182									1,004,396	299,772,218			316,488,617	17,838,390	5,529,800,581
79	2004013	TA for Financial Markets Programme for Private Sector Development	XDR	148,423	56,633,278									12,368	4,911,548			6,038,694	136,055	57,760,424
80	2005001	Tsunami-Affected Areas Rebuilding Project	XDR	3,476,765	1,326,617,703									128,700	51,874,770			146,635,516	3,348,065	1,421,378,449
81	2005002	North East Community Restoration & Development Project II	XDR	13,264,983	5,061,475,666									491,300	198,026,322			559,455,411	12,773,683	5,422,904,755
82	2006001	Local Government Infrastructure Improvement Project	XDR	13,917,802	5,310,569,852									1,070,602	436,842,895			580,388,724	12,847,200	5,454,115,681
83	2006002	Technical Education Development	XDR	7,010,169	2,674,847,166									539,242	220,029,514			292,332,353	6,470,927	2,747,150,005
84	2006003	National Highways Sector Project AF	USD	78,264,965	22,899,021,889									10,091,862	3,047,456,341			1,281,714,792	68,173,103	21,133,280,340
85	2006004	Secondary Towns & Rural Community Water /Sanitation Supp.1	XDR	18,363,920	7,007,060,356									1,311,708	535,222,541			767,462,229	17,052,212	7,239,300,044
86	2007007	Colombo Port Expansion Project	USD	181,769,939	53,182,848,551									17,251,314	5,155,398,151			2,972,402,097	164,518,625	50,999,852,497
87	2007012	Secondary Towns & Rural Community Water /Sanitation (OCR)	USD	6,995,305	2,046,709,559									731,305	220,835,116			115,930,519	6,264,000	1,941,804,962
88	2007030	SME Regional Development Project	XDR	16,260,037	6,204,288,834									1,084,004	442,311,382			680,814,816	15,176,033	6,442,792,268
89	2007031	Education for Knowledge Society Project	XDR	25,833,001	9,857,012,792									1,722,200	702,717,572			1,081,638,970	24,110,801	10,235,934,190
90	2008003	Southern Transport Development Project - Supplementary	USD	56,949,920	16,662,595,537									4,934,898	1,490,204,083			951,974,083	52,015,022	16,124,365,537
91	2009006	Clean Energy and Access Improvement Project	USD	79,925,172	23,384,770,587									5,824,127	1,758,727,038			1,344,865,291	74,101,045	22,970,908,840
92	2009007	Clean Energy and Access Improvement Project	XDR	11,228,663	4,284,484,007									701,792	286,355,576			470,921,095	10,526,871	4,469,049,526
93	2009008	Dry zone Urban Water and Sanitation Project	XDR	20,288,797	7,741,529,634									1,268,050	517,408,558			850,895,606	19,020,747	8,075,016,682
94	2009018	Eastern & North Central Provincial Road Project	XDR	29,783,978	11,364,574,379									1,751,998	699,853,018			1,235,899,942	28,031,980	11,900,621,303
95	2009028	Greater Colombo Waste Water Management Project (OCR)	USD	58,394,662	17,085,302,529									3,620,310	1,081,896,809			976,336,154	54,774,352	16,979,741,874
96	2009029	Greater Colombo Waste Water Management Project (ADF)	XDR	9,033,889	3,447,031,110									531,404	212,274,615			374,865,365	8,502,485	3,609,621,860
97	2010019	ADB Funded Fiscal Management Efficiency Project	USD	21,458,888	6,278,512,109									1,231,569	368,040,503			359,883,963	20,227,319	6,270,355,569
98	2010020	N-E Community Restoration & Dev. Project II Supplementary	XDR	6,928,642	2,643,739,092									152,200	60,972,394			294,085,724	6,776,442	2,876,852,422
99	2010021	Conflict Affected Region Emergency Project	USD	123,770,108	36,213,066,822									2,982,694	906,693,006			2,137,048,444	120,787,414	37,443,422,260
100	2010025	Northern Road Connectivity Project (OCR)	USD	95,529,293	27,950,275,670									5,482,618	1,655,600,524			1,619,289,706	90,046,675	27,913,964,852
101	2010026	Northern Road Connectivity Project (ADF)	XDR	11,140,533	4,250,856,343									636,602	259,755,782			468,209,867	10,503,931	4,459,310,428
102	2011001	Jaffna & Kilinochchi Water Supply & Sanitation Project OCR	USD	17,388,733	5,087,653,089									925,769	279,556,745			295,330,670	16,462,964	5,103,427,014
103	2011002	Jaffna & Kilinochchi Water Supply & Sanitation Project ADF	XDR	33,076,647	12,620,946,970									1,837,592	749,801,529			1,390,998,542	31,239,055	13,262,143,983
104	2011012	Sustainable Power Sector Support Project OCR	USD	65,929,149	19,289,767,628									3,510,037	1,059,935,164			1,119,742,237	62,419,112	19,349,574,701
105	2011013	Sustainable Power Sector Support Project ADF	XDR	4,217,325	1,609,190,564									234,296	95,600,926			177,354,523	3,983,029	1,690,944,161
106	2011015	Secondary Towns & Rural Com/Based Water Supply Add.	USD	3,003,619	878,808,696									148,621	44,879,325			51,103,871	2,854,998	885,033,242

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
107	2011016	Secondary Towns & Rural Com/Based Water Supply Add (XDR)	XDR	5,061,386	1,931,256,300									273,588	111,633,431			212,975,908	4,787,798	2,032,598,777
108	2011028	Local Government Enhancement Sector Project	XDR	27,940,875	10,661,307,692									1,510,318	616,262,338			1,175,712,201	26,430,557	11,220,757,555
109	2011035	National Highways Sector Project AF OCR	USD	63,438,199	18,560,957,949									2,922,302	873,303,431			1,071,934,955	60,515,897	18,759,589,473
110	2012029	Northern Road Connectivity Project (ADF)	XDR	36,329,668	13,862,191,763									1,816,484	723,774,552			1,513,716,991	34,513,184	14,652,134,202
111	2012030	Northern Road Connectivity Project (ADF)	USD	19,655,843	5,750,971,419									1,403,990	419,455,092			326,455,953	18,251,853	5,657,972,280
112	2013015	Clean Energy and Network Efficiency Improvement Project	USD	49,366,644	14,443,855,548									6,170,809	1,843,586,928			790,198,223	43,195,835	13,390,466,843
113	2013017	Clean Energy and Network Efficiency Improvement Project	XDR	14,436,784	5,508,595,801									721,840	287,615,758			601,524,998	13,714,944	5,822,505,041
114	2013021	Dry Zone Urban Water and Sanitation Project (ADF)	XDR	21,537,133	8,217,852,945									1,076,856	436,412,000			904,709,960	20,460,277	8,686,150,905
115	2013034	Education Sector Development Programme (OCR)	USD	62,151,277	18,184,425,830									4,286,295	1,302,457,400			1,055,852,046	57,864,982	17,937,820,476
116	2013035	Education Sector Development Programme (ADF)	XDR	40,452,075	15,435,164,765									2,996,450	1,234,949,336			1,701,094,477	37,455,625	15,901,309,906
117	2013042	Greater Colombo Waste Water Management Improvement Project 1	USD	49,120,273	14,371,771,634									3,508,591	1,054,838,110			822,432,672	45,611,682	14,139,366,196
118	2013043	Greater Colombo Waste Water Management Improvement Project 1	XDR	7,633,604	2,912,729,202									381,680	153,043,663			319,026,823	7,251,924	3,078,712,362
119	2014005	Skills Sector Enhancement Programme - Results Based Lending	USD	35,714,287	10,449,403,573									2,380,952	718,830,833			602,573,929	33,333,335	10,333,146,669
120	2014006	Skills Sector Enhancement Programme - Results Based Lending	XDR	22,820,000	8,707,352,094									1,630,000	665,096,762			953,690,055	21,190,000	8,995,945,387
121	2014017	Southern Road Connectivity Project	USD	50,704,700	14,835,348,677									3,496,875	1,055,737,962			854,550,805	47,207,825	14,634,161,520
122	2014018	Southern Road Connectivity Project	XDR	2,204,314	841,092,852									163,200	66,591,283			92,027,494	2,041,114	866,529,063
123	2014029	Greater Colombo Water & Waste Water Management Pro-2	USD	51,163,783	14,969,668,368	(255,684)	(76,849,662)							3,519,405	1,058,070,644			855,481,840	47,388,694	14,690,229,902
124	2014030	Greater Colombo Water & Waste Water Management Pro-2	XDR	7,595,927	2,898,352,814									562,800	225,668,030			313,139,980	7,033,127	2,985,824,764
125	2014036	Green Power Development & Energy Efficiency Improvement Programme	XDR	8,040,091	3,067,830,563									739,600	303,255,199			334,754,898	7,300,491	3,099,330,262
126	2014037	Green Power Development & Energy Efficiency Improvement Programme	USD	83,215,088	24,347,345,314	3,123,996	927,252,424							9,088,343	2,761,634,214			1,434,334,057	77,250,741	23,947,297,581
127	2014041	Integrated Road Investment Programme	XDR	48,575,250	18,534,697,844									3,238,350	1,286,004,793			1,998,512,065	45,336,900	19,247,205,116
128	2015009	Integrated Road Investment Programme-Tranch 2(ADF)	XDR	4,607,250	1,757,973,030									307,150	121,974,578			189,554,225	4,300,100	1,825,552,677
129	2015010	Integrated Road Investment Programme-Tranch 2(OCR)	USD	74,699,805	21,855,915,613									4,668,738	1,393,154,161			1,246,477,372	70,031,067	21,709,238,824
130	2015024	Mahaweli Water Security Investment Programme-Tranch 1	XDR	41,530,700	15,846,732,148									2,679,400	1,104,281,150			1,751,375,006	38,851,300	16,493,826,004
131	2015025	Mahaweli Water Security Investment Programme-Tranch 1	USD	64,806,032	18,961,162,972									3,927,634	1,193,472,526			1,104,272,443	60,878,398	18,871,962,889
132	2015036	Integrated Road Investment Programme-Tranch 3	USD	142,160,991	41,593,931,994									8,362,408	2,495,347,708			2,378,227,146	133,798,583	41,476,811,432
133	2015037	Integrated Road Investment Programme-Tranch 3	XDR	14,168,000	5,406,037,006									885,500	351,647,365			584,527,047	13,282,500	5,638,916,688
134	2016014	Small and Medium-Sized Enterprises Line of Credit	USD	100,000,000	29,258,330,000													1,741,110,000	100,000,000	30,999,440,000
135	2016033	Greater Colombo Water and Waste Water Management Imp. Inv. Programme-3	XDR	2,864,000	1,092,807,028									179,000	73,038,233			120,113,855	2,685,000	1,139,882,650
136	2016034	Greater Colombo Water and Waste Water Management Imp. Inv. Programme-3 (OCR)	USD	51,446,415	15,052,361,681									3,025,807	913,518,263			871,273,652	48,420,608	15,010,117,070
137	2016035	Technical Assistance Loan Agreement	XDR	7,819,394	2,983,620,713	402,031	169,628,303							873,550	348,064,316			314,262,674	7,347,875	3,119,447,374
138	2016036	Local Government Enhancement Sector Project (ADF)	USD	46,809,210	13,695,593,093									2,836,922	856,492,085			792,062,041	43,972,288	13,631,163,049
139	2016038	Capital Market Development Programmee	USD	67,708,333	19,810,327,608									10,416,667	3,144,884,894			1,094,653,123	57,291,666	17,760,095,837
140	2017010	Project Design Advance for Northern Province Sustainable Fisheries Development Project	USD	87,133	25,493,695									87,133	26,078,812			585,117	-	-
141	2017036	Second Integrated Road Investment Programme Tranche 1	USD	53,874,214	15,762,695,437									2,993,012	894,190,320			904,382,701	50,881,202	15,772,887,818
142	2017037	Second Integrated Road Investment Programme Tranche 1	USD	90,000,000	26,332,497,000									3,913,043	1,169,058,261			1,523,035,720	86,086,957	26,686,474,459
143	2017038	Jaffna & Kilinochchi Water Supply Project - Additional Financing	USD	22,500,000	6,583,124,250									1,250,000	377,386,188			381,642,938	21,250,000	6,587,381,000
144	2017039	Jaffna & Kilinochchi Water Supply Project - Additional Financing	USD	43,699,786	12,785,827,460	13,488,299	4,049,850,358							2,190,563	661,729,218			874,977,740	54,997,522	17,048,926,340
145	2017040	Integrated Road Investment Programme - Tranche - 4	USD	149,999,999	43,887,494,824	(10,316)	(3,120,444)							6,521,739	1,981,788,855			2,571,673,750	143,467,944	44,474,259,275
146	2018005	Small and Medium-Sized Enterprises Line of Credit - Additional Financing	USD	75,000,000	21,943,747,500													1,305,832,500	75,000,000	23,249,580,000
147	2018018	Mahaweli Water Security Investment Programme - Tranche 2	USD	157,500,761	46,082,092,375									12,115,443	3,657,760,596			2,644,302,691	145,385,318	45,068,634,470
148	2018019	Mahaweli Water Security Investment Programme - Tranche 2	USD	27,900,000	8,163,074,102									1,550,000	467,958,873			473,237,243	26,350,000	8,168,352,472
149	2018020	Skill Sector Enhancement Programme A/F	USD	53,554,736	15,669,221,389									2,975,264	898,258,830			908,390,516	50,579,472	15,679,353,075
150	2018021	Skill Sector Enhancement Programme A/F	USD	34,447,097	10,078,645,316									2,649,777	799,991,277			578,337,214	31,797,320	9,856,991,253
151	2018037	Rooftop Solar Power Generation Project	USD	50,000,000	14,629,165,000									2,173,913	649,476,829			846,130,973	47,826,087	14,825,819,144

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
152	2018045	Health System Enhancement Project	USD	24,606,433	7,199,431,229	2,133,483	641,662,493							1,875,000	566,079,281			432,969,867	24,864,916	7,707,984,307
153	2019007	Technical Assistance Loan Agreement	USD	2,583,575	755,910,890									139,652	42,162,189			43,853,733	2,443,923	757,602,434
154	2019012	South Asia Sub regional Economic Cooperation Port Access Elevated Highway Project (SASEC)	USD	218,301,202	63,871,286,090	12,339,291	3,709,683,473											3,916,296,036	230,640,493	71,497,265,599
155	2019029	Science & Technology Human Resource Development Project	USD	32,475,954	9,501,921,748	23,468,733	6,959,774,599							3,099,000	925,939,364			846,110,026	52,845,687	16,381,867,009
156	2019030	Science & Technology Human Resource Development Project	USD	74,394,693	21,766,644,666	8,625,307	2,563,122,591											1,405,967,831	83,020,000	25,735,735,088
157	2019040	Railway Efficiency Improvement Project	USD	64,838,270	18,970,594,874	16,230,213	4,872,782,489											1,287,398,106	81,068,482	25,130,775,468
158	2019048	Second Integrated Road Investment Programme - Tranche 2	USD	150,000,000	43,887,495,000													2,611,665,000	150,000,000	46,499,160,000
159	2020017	Small and Medium Sized Enterprises Line of Credit Project	USD	165,000,000	48,276,244,500													2,872,831,500	165,000,000	51,149,076,000
160	2020018	Secondary Education Sector Improvement Programme	USD	254,200,000	74,374,674,860	30,740,000	9,503,227,964											4,451,901,512	284,940,000	88,329,804,336
161	2021009	Second Integrated Road Investment Programme	USD	200,000,000	58,516,660,000													3,482,220,000	200,000,000	61,998,880,000
162	2021027	Responsive COVID-19 Vaccines for Recovery Project - Rapid Response Component	USD	78,000,000	22,821,497,435									12,000,000	3,646,386,594			1,284,519,670	66,000,000	20,459,630,511
163	2021028	Responsive COVID-19 Vaccines for Recovery Project - Project Investment Component	USD	22,359,305	6,541,959,346													389,300,101	22,359,305	6,931,259,447
164	2021029	Health System Enhancement Project - Additional Financing	USD	61,411,463	17,967,968,485	5,141,938	1,565,061,730											1,098,151,222	66,553,400	20,631,181,437
165	2022026	Food Security and Livelihood Recovery Emergency Assistance Project	USD	190,968,129	55,874,085,372	6,064,816	1,846,265,297											3,358,758,952	197,032,945	61,079,109,621
166	2023003	Sri Lanka Resilience Stability and Economic Turnaround (RESET) Development Policy Operation	USD	350,000,000	102,404,155,000													6,093,885,000	350,000,000	108,498,040,000
167	2023017	Financial Sector Stability and Reforms Programme-Sub Programme 1	USD	200,000,000	58,516,660,000													3,482,220,000	200,000,000	61,998,880,000
168	2023016	Second Integrated Road Investment Programme-Tranche-4	USD	46,917,538	13,727,288,075	916,081	276,715,471											824,150,494	47,833,619	14,828,154,040
169	2024002	Enhancing Small and Medium-Sized Enterprises Finance Project	USD	100,000,000	29,258,330,000													1,741,110,000	100,000,000	30,999,440,000
170	2024009	Financial Sector Stability and Reforms - Sub Programme 2	USD	200,000,000	58,516,660,000													3,482,220,000	200,000,000	61,998,880,000
171	2024003	Power Sector Reforms and Financial Sustainability Programme (Sub-Programme 1)	USD	100,000,000	29,258,330,000													1,741,110,000	100,000,000	30,999,440,000
172	2024004	Water Supply and Sanitation Reform Programme - Sub-Programme 1	USD	100,000,000	29,258,330,000													1,741,110,000	100,000,000	30,999,440,000
173	2024005	Mahaweli Water Security Investment Programme - Tranche 3	USD	86,425,385	25,286,624,347	1,903,093	562,210,852											1,532,498,215	88,328,478	27,381,333,413
174	2025007	Sustainable Tourism Sector Development Programme - Sub-Programme 1	USD			70,000,000	21,605,871,000											93,737,000	70,000,000	21,699,608,000
175	2025009	Financial Sector Stability & Reforms Programme - Sub-Programme 3	USD			100,000,000	30,884,790,000											114,650,000	100,000,000	30,999,440,000
176	2025010	Strengthening Macroeconomic Resilience & Transparency Programme Sub-Programme 1	USD			100,000,000	30,882,680,000											116,760,000	100,000,000	30,999,440,000
177	2025011	Power Sector Reforms and Financial Sustainability Programme-Sub-Programme 2	USD			100,000,000	30,925,570,000											73,870,000	100,000,000	30,999,440,000
178	2025012	Mahaweli Water Security Investment Programme - Stage 2 Project	USD			23,000,000	7,119,541,900											10,329,300	23,000,000	7,129,871,200
	Agency Francaise De Development																		-	
179	2014027	Implementation of Ambatale Water Supply System Improvement & Energy Saving Project	USD	41,748,214	12,214,830,177							(27,362,991)	(8,005,954,123)	1,830,874	553,776,496			236,678,507	12,554,349	3,891,778,065
180	2025314	Child Loan AFD France USD Portion	USD					27,362,991	8,005,954,123	877,662	318,687,954	28,240,653	8,324,642,077					429,802,208	28,240,653	8,754,444,285
181	2016039	Implementation of Anuradhapura Integrated Urban Development Project	EUR	6,422,936	1,956,198,800							(3,931,423)	(1,197,372,423)	492,060	174,549,892			143,452,990	1,999,453	727,729,475
182	2015021	Construction of Four Grid Substations Maliboda, Nawalapitiya,Wewalwatta and Ragala	EUR	21,578,275	6,571,978,636							(21,578,275)	(6,571,978,636)						-	-
183	2015023	Green Power Development & Energy Efficiency Improvement Investment Programme	EUR	19,250,268	5,862,950,095							(19,250,268)	(5,862,950,095)						-	-

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
184	2016021	Implementation of Sanitation Hygiene Initiative for Towns Project - Phase 1	EUR	4,738,535	1,443,190,133							(3,368,059)	(1,025,791,640)	198,519	70,108,618			79,260,890	1,171,957	426,550,765
185	2018046	Implementation of Green Power Development & Energy Efficient Improvement Investment Programme - Tranch 2	EUR	21,994,621	6,698,783,062							(21,994,621)	(6,698,783,062)						-	-
186	2019010	Rathmalana-Moratuwa Waste Water Disposal Project- Stage I - Phase II	EUR	6,832,306	2,080,878,550							(6,832,306)	(2,080,878,550)					-	-	-
187	2005049	Trincomalee Integrated Infrastructure Project (TIIP)	EUR	21,849,923	6,654,713,532	-	-					(21,849,923)	(6,654,713,532)	-	-	-			-	-
188	2008030	Trincomalee Integrated Infrastructure Project	EUR	8,724,320	2,657,119,027	-	-					(8,724,320)	(2,657,119,027)	-	-	-			-	-
189	2007040	Construction Sector Support Project (for Post Tsunami Reconstruction)	EUR	5,000,000	1,522,823,000	-	-					(5,000,000)	(1,522,823,000)	-	-	-			-	-
190	2025313	Child Loan AFD France EUR Portion	EUR			-	-	112,529,195	34,272,409,966	2,251,596	871,210,091	114,780,791	35,143,620,056					6,632,502,305	114,780,791	41,776,122,361
191	2019019	Reduction of Landslide Vulnerable by Mitigation Measures Projects	USD	46,651,837	13,649,548,406	11,528,317	3,453,994,486							2,117,435	639,337,992			914,924,144	56,062,719	17,379,129,044
192	2019020	Support to Colombo Urban Regeneration Project	USD	98,810,785	28,910,385,606	30,059,342	8,995,733,816											2,042,898,302	128,870,127	39,949,017,725
	Banco Bilbao Vizcaya Argentaria S.A.																			
193	2012015	Veyangoda Railway Crossing Flyover Project (Spain)	EUR	503,213	153,260,866													29,890,750	503,213	183,151,616
194	2013003	Implementation of the Greater Rathnapura Water Supply Scheme	EUR	7,675,500	2,337,685,587													455,923,165	7,675,500	2,793,608,752
195	2015033	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Export Credit)	EUR	9,290,682	2,829,612,659													551,864,724	9,290,682	3,381,477,383
	Bank Austria																			
196	2006089	Enhancement & Strengthening of the Road Infrastructure by Construction of Five Bridges (Austria)	EUR	3,956,250	1,204,933,705													235,000,460	3,956,250	1,439,934,165
197	2007003	Greater Colombo Sewerage Rehabilitation System II (Austria)	EUR	3,946,123	1,201,849,340													234,398,858	3,946,123	1,436,248,198
198	2008021	Rehabilitation & Augmentation of Kirindi Oya Water Supply Project (Austria)	EUR	1,335,970	406,889,230													79,356,363	1,335,970	486,245,593
199	2008023	Supply of Modern Medical Equipment for Teaching Hospital Kurunegala (Austria)	EUR	500,000	152,282,300													29,699,900	500,000	181,982,200
	BNP Paribas																			
200	2013032	Reconstruction of (7) Railway Steel Bridges Project	EUR	2,294,486	698,819,086													136,292,073	2,294,486	835,111,159
	Co-Op Centrale Raiffeisen (Netherlands)																			
201	2014032	Sri Lankan Dairy Development Project-Ph II	USD	6,165,623	1,803,958,586							(6,165,623)	(1,803,958,586)						-	-
202	2016040	Implementation of Importation of 20,000 Dairy Animals Project	USD	5,467,316	1,599,645,562							(5,467,316)	(1,599,645,562)						-	-
203	2015034	Supply and Purchase of Clinical Waste Disposal Systems and Related Equipment	USD	6,882,313	2,013,649,965							(6,882,313)	(2,013,649,965)						-	-
204	2011026	Importation of Dairy Animals (Netherland & Australia)	USD	1,252,259	366,389,953							(1,252,259)	(366,389,953)						-	-
205	2010023	Integrated Water Supply Scheme for the Unserved Areas of Ampara District-Phase III (Australia)	USD	18,073,604	5,288,035,228							(18,073,604)	(5,288,035,228)			-			-	-
206	2025325	Sri Lankan Dairy Development Project-Ph II	USD					6,165,623	1,803,958,586	206,777	75,082,622	6,372,400	1,879,041,208					96,367,048	6,372,400	1,975,408,256
207	2025326	Implementation of Importation of 20,000 Dairy Animals Project	USD					5,467,316	1,599,645,562	236,336	85,816,074	5,703,653	1,685,461,636					82,638,726	5,703,653	1,768,100,362
208	2025327	Supply and Purchase of Clinical Waste Disposal Systems and Related Equipment	USD					6,882,313	2,013,649,965	193,289	70,185,107	7,075,602	2,083,835,072					109,561,959	7,075,602	2,193,397,031
209	2025324	Importation of Dairy Animals (Netherland & Australia)	USD					1,252,259	366,389,953	44,221	16,057,000	1,296,479	382,446,954					19,454,326	1,296,479	401,901,279
210	2025323	Integrated Water Supply Scheme for the Unserved Areas of Ampara District-PhaseIII (Australia)	USD					18,073,604	5,288,035,228	628,445	228,194,548	18,702,049	5,516,229,776					281,300,636	18,702,049	5,797,530,412
211	2012010	Development of Hambantota District General Hospital (Netherlands)	EUR	14,771,675	4,498,929,034													877,434,517	14,771,675	5,376,363,551
212	2013001	Upgrading of the National Blood Transfusion Services of SL	USD	9,708,906	2,840,663,890													169,042,738	9,708,906	3,009,706,628
213	2013024	Upgrading of Peripheral Blood Bank Coming under the National Blood Transfusion Services	EUR	6,476,034	1,972,371,041													384,675,194	6,476,034	2,357,046,235
214	2014035	Construction of 463 Rural bridges	EUR	46,199,999	14,070,884,435													2,744,270,743	46,199,999	16,815,155,178
215	2016012	Development of General Hospital Kalutara	EUR	18,349,129	5,588,495,305													1,089,934,626	18,349,129	6,678,429,931
216	2017034	Pilot Project on Establishment of a Ground Water Monitoring Network in Three Selected District	EUR	15,348,661	4,674,658,966													911,707,426	15,348,661	5,586,366,392
217	2018040	Reconstruction Rural Bridges (EUR 44.3)	EUR	37,477,531	11,414,329,394													2,226,157,876	37,477,531	13,640,487,270
218	2019047	Constriction of Rural Bridges with Financial Assistance from Netherland	EUR	33,459,465	10,190,568,514	2,314,696	790,590,236											2,039,362,090	35,774,160	13,020,520,840

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				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
	Calyon Credit Agricole CIB (France)																			
219	2008042	Rehabilitation of Wimalasurendra and New Laxapana Power Stations (France)	USD	8,178,695	2,392,949,577							(8,178,695)	(2,392,949,577)						-	-
220	2025316	Rehabilitation of Wimalasurendra and New Laxapana Power Stations (France)	USD					8,178,695	2,392,949,577	978,796	319,795,342	9,157,491	2,712,744,919					126,026,087	9,157,491	2,838,771,006
221	2016019	Implementation of Greater Matale Water Supply Project	EUR	97,951,361	29,832,516,860							(97,951,361)	(29,832,516,860)						-	-
222	2016020	Implementation of Kelani Right Bank Water Supply Project	EUR	75,766,232	23,075,712,117							(75,766,232)	(23,075,712,117)						-	-
223	2025317	Implementation of Greater Matale Water Supply Project & Kelani Right Bank Water Supply Project	EUR					173,717,593	52,908,228,978	12,680,489	4,555,237,313	186,398,082	57,463,466,291					10,378,799,378	186,398,082	67,842,265,669
	China Development Bank (CDB)																		-	
224	2024352	Rehabilitation and Improvement of Priority Road Project Phase I	USD	53,680,633	15,706,056,919													934,638,879	53,680,633	16,640,695,798
225	2024353	Improvement and Rehabilitation of Priority Roads Project Phase ii	USD	196,766,004	57,570,446,886													3,425,912,579	196,766,004	60,996,359,465
226	2024354	Moragahakanda Development Project	USD	92,310,392	27,008,479,106	3,525,100	656,265,060											2,043,721,596	95,835,492	29,708,465,762
227	2024355	Improvement and Rehabilitation of Priority Road Project 3 (Phase I)	USD	196,214,467	57,409,076,166													3,416,309,701	196,214,467	60,825,385,867
228	2024356	Improvement and Rehabilitation of Priority Roads Project 3 (Phase II)	USD	69,663,553	20,382,392,145													1,212,919,083	69,663,553	21,595,311,228
	Deutsche Bank AG																			
229	2019005	Reconstruction of Rural Bridges USD 12.7Mn (Commercial Facility)	USD	12,729,512	3,724,442,666													221,634,809	12,729,512	3,946,077,475
230	2014028	Construction of 537 Steel Beam Bridges	USD	77,160,000	22,575,727,427							(77,160,000)	(22,575,727,427)					-	-	-
231	2019006	Reconstruction of Rural Bridges USD 50.9Mn (UKEF)	USD	42,551,724	12,449,923,579							(42,551,724)	(12,449,923,579)					-	-	-
232	2012023	Construction of 210 Permanent Rural Steel Bridges	USD	19,864,310	5,811,965,056							(19,864,310)	(5,811,965,056)						-	-
233	2013027	Regional Bridges Project-Phase II-Buyer's Credit Facility	USD	29,755,081	8,705,839,677							(29,755,081)	(8,705,839,677)						-	-
234	2025320	Debt Restructure "United Kingdom of Great Britain and Northern Ireland (2013027, 2019006, 2014028, 2012023)	USD					169,331,114	49,543,455,740	26,682,682	8,148,981,740	196,013,796	57,692,437,479					3,070,741,672	196,013,796	60,763,179,151
	European Investment. Bank (EIB)																			
235	2006093	DFCC Global Loan ii	USD	8,530,750	2,495,954,986									3,412,300	1,032,086,887			122,822,738	5,118,450	1,586,690,837
236	2013047	Sri Lanka SME & GREEN Energy Global Loan	EUR USD	14,083,294 53,939,569	20,548,620,804									1,408,329 4,903,597	2,113,695,410			3,341,590,905	12,674,965 49,035,972	21,776,516,299
237	2017003	Implementation of Greater Colombo Water and Waste Water Management Improvement Programme-Project 3	EUR			8,027,259	2,816,920,303											104,716,028	8,027,259	2,921,636,331
	Export Development Bank of Iran (EDBI)																			
238	2008027	Uma oya Hydro Electric and Irrigation Project (Iran)	USD	32,902,548	9,626,735,956													572,869,547	32,902,548	10,199,605,503
	Export Import Bank of China (EIBC)																			
239	2024301	Sothern Transport Development Project (Kodagoda to Godagama)	USD	26,757,365	7,828,758,104													465,875,155	26,757,365	8,294,633,259
240	2024302	Rehabilitation and Improvement of 90km Length of Kandy-Jaffna Road (A009) from 230Km to Jaffna	USD	26,511,947	7,756,953,039													461,602,166	26,511,947	8,218,555,205
241	2024303	Procurement of Material for the Power Sector Development Programme-Northern Province	USD	7,005,700	2,049,750,687													121,976,935	7,005,700	2,171,727,622
242	2024304	Colombo Katunayake Expressway Project	USD	15,828,902	4,631,272,482													275,598,602	15,828,902	4,906,871,084
243	2024305	Reh. & Imp. of 113km Length of Puttalam-Marichchikade-Mannar Road (B8379, B403) Road	USD	35,988,345	10,529,589,131													626,596,697	35,988,345	11,156,185,828
244	2024306	Colombo - Katunayake Expressway	USD	21,051,787	6,159,401,306													366,534,768	21,051,787	6,525,936,074
245	2024307	Road Rehabilitation in the Northern Province Contract No. C11A Project	USD	16,080,607	4,704,917,182													279,981,064	16,080,607	4,984,898,246
246	2024308	Colombo Katunayake Expressway Project	USD	23,193,501	6,786,030,976													403,824,360	23,193,501	7,189,855,336
247	2024309	Road Rehabilitation in the Northern Province Contract No. C118 Project	USD	17,974,982	5,259,180,010													312,964,236	17,974,982	5,572,144,246
248	2024310	Sothern Transport Development Project (Pinnaduwa to Kodagoda)	USD	35,919,977	10,509,585,307													625,406,306	35,919,977	11,134,991,613
249	2024311	Rehabilitation and Improvement of 63km Length of Kandy- Jaffna Road (A009) from Galkulama to 230km Post	USD	26,688,771	7,808,688,563													464,680,853	26,688,771	8,273,369,416
250	2024312	Rehabilitation and Improvement of 84km Length of Jaffna Point Pedro Road (AB020) - Jaffna kankasanthurai Road (AB016) Palai Road (AB018)	USD	28,109,019	8,224,228,749													489,408,894	28,109,019	8,713,637,643
251	2024313	Rehabilitation and Improvement of 67km Length of Navatkuli- Karaitvu Mannar (A032) Road	USD	22,703,496	6,642,663,787													395,292,840	22,703,496	7,037,956,627
252	2024314	Colombo Katunayake Expressway Project	USD	22,114,579	6,470,356,347													385,039,137	22,114,579	6,855,395,484
253	2024315	Procurement of Materials for Lighting Sri Lanka Uva Province	USD	5,063,403	1,481,467,147													88,159,415	5,063,403	1,569,626,562
254	2024316	Implementation of Hambantota Port Development Project	USD	79,262,523	23,190,890,616													1,380,047,718	79,262,523	24,570,938,334
255	2024317	Implementation of the Bunkering Facility & Tank Farm Project at Hambantota	USD	20,245,615	5,923,528,967													352,498,434	20,245,615	6,276,027,401

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
256	2024318	Puttalam Coal Power Project	USD	50,445,476	14,759,503,885													878,311,230	50,445,476	15,637,815,115
257	2024320	Finance Material Required for Lighting Sri Lanka Eastern Province Project	USD	16,934,726	4,954,818,571													294,852,241	16,934,726	5,249,670,812
258	2024332	Puttalam Coal Power Project	USD	103,944,444	30,412,408,574													1,809,787,117	103,944,444	32,222,195,691
259	2024333	Puttalam Coal Power Project - Phase II	USD	463,072,500	135,487,280,189													8,062,601,605	463,072,500	143,549,881,794
260	2024334	Hambantota Port Development Project - Phase II	USD	503,730,770	147,383,210,769													8,770,506,796	503,730,770	156,153,717,565
261	2024335	Matara Beliatta Section of Matara Kataragama Railway Extension Project	USD	175,905,985	51,467,153,812													3,062,716,709	175,905,985	54,529,870,521
262	2024336	Construction of Outer Circular Highway Project Phase III	USD	327,897,542	95,937,344,742													5,709,056,884	327,897,542	101,646,401,626
263	2024337	Construction of Extension of Southern Expressway Section 1 from Matara to Beliatta	USD	621,155,863	181,739,832,228													10,815,006,847	621,155,863	192,554,839,075
264	2024338	Construction of Extension of Southern Expressway, Section 2 from Beliatta to Wetiya Project	USD	271,016,507	79,294,904,133													4,718,695,515	271,016,507	84,013,599,648
265	2024319	Widening and Improvement of 64.31 km of Roads and Reconstruction of 13 Bridges in Central and Uva Provinces in Sri Lanka	USD	79,151,112	23,158,293,369													1,378,107,916	79,151,112	24,536,401,285
266	2024339	Central Expressway Project Section - I from Kadawatha to Meerigama	USD	53,917,771	15,775,439,476													938,767,709	53,917,771	16,714,207,185
267	2024321	Mattala Hambantota International Airport Project	CNY	677,295,302	27,154,665,073													2,886,090,739	677,295,302	30,040,755,812
268	2024322	Supply of 13 Nos. Diesel Multiple Units to Sri Lanka Railway Project	CNY	356,133,988	14,278,408,635													1,517,558,137	356,133,988	15,795,966,772
269	2024323	Supply of two Nos. MA 60 Aircrafts Project	CNY	155,129,989	6,219,595,634													661,039,910	155,129,989	6,880,635,544
270	2024324	Hambantota Port Development Phase I for Ancillary Work and Supply of Equipment Project	CNY	655,455,120	26,279,031,026													2,793,025,356	655,455,120	29,072,056,382
271	2024325	Hambantota Port Development Project Phase II	CNY	697,784,026	27,976,115,429													2,973,397,295	697,784,026	30,949,512,724
272	2024326	Matara- Beliatta Section of Matara - Kataragama Railroad Extension Project	CNY	485,882,463	19,480,388,399													2,070,442,350	485,882,463	21,550,830,749
273	2024327	Greater Kurunegala Water Supply and Sewerage Project	CNY	386,883,441	15,511,240,392													1,648,587,716	386,883,441	17,159,828,108
274	2024328	Construction Roads and Flyovers in Hambantota Hub Development Project	CNY	1,449,654,140	58,120,693,499													6,177,266,221	1,449,654,140	64,297,959,720
275	2024329	Construction of Extension of Southern Expressway, Section 4 from Mattala to Hambantota via Andarawewa Project	CNY	1,853,723,932	74,320,982,871													7,899,088,420	1,853,723,932	82,220,071,291
276	2024330	Consultancy Services for Design Review and Construction Supervision of Civil Works on Extension of Southern Expressway Project	CNY	375,293,761	15,046,577,703													1,599,201,775	375,293,761	16,645,779,478
277	2024331	Kandy North Pathadumbara Integrated Water Supply Project	CNY	782,730,550	31,381,859,392													3,335,371,419	782,730,550	34,717,230,811
	Export Import Bank of USA																			
278	2013025	Badulla, Haliela and Ella Integrated Water Supply Project	USD	40,070,773	11,724,038,920													697,676,231	40,070,773	12,421,715,151
	Export Import Bank of Hungary (EIBH)																			
279	2013008	Rehabilitation of Kalatuwawa Water Treatment Plant	EUR	15,210,918	4,632,707,077							(15,210,918)	(4,632,707,077)						-	-
280	2013009	Rehabilitation of Labugama Water Treatment Plant Project	EUR	14,624,789	4,454,193,128							(14,624,789)	(4,454,193,128)						-	-
281	2025312	Child Loan of 2013008 and 2013009 (Exim Bank Hungary)	EUR					29,835,707	9,086,900,204	399,630	154,628,689	30,235,336	9,241,528,893					1,763,057,186	30,235,336	11,004,586,079
282	2021001	Constriction of Flyovers at Kohuwela & Gatabe	EUR	13,852,783	4,219,067,161													822,852,510	13,852,783	5,041,919,671
	Fortis Bank																			
283	2011029	Implementation of Kolonna and Balangoda Water Supply Projects (Belgium)	EUR	1,769,057	538,791,959													105,081,659	1,769,057	643,873,618
	Government of Canada																			
284	1972003	Import of Newsprint & Radio Telecom. Equipment	CAD	12,500	2,549,879													278,538	12,500	2,828,417
285	1973003	Purchase of 14 Locomotives	CAD	144,144	29,403,979													3,211,956	144,144	32,615,935
286	1973004	Import of Asbestos, Nylon & TYRE Cord	CAD	60,561	12,353,857													1,349,479	60,561	13,703,336
287	1974005	Import of Commodities	CAD	110,000	22,438,934													2,451,130	110,000	24,890,064
288	1975004	Import of Commodities	CAD	131,250	26,773,728													2,924,644	131,250	29,698,372
289	1975005	Import of Commodities	CAD	1,200,000	244,788,360													26,739,600	1,200,000	271,527,960
290	1976002	Agricultural Sector Support Credit	CAD	751,600	153,319,158													16,747,879	751,600	170,067,037
291	1977004	Water Supply Project	CAD	450,000	91,795,629													10,027,350	450,000	101,822,979
292	1977009	Import of Fertilizer & Commodities	CAD	1,250,000	254,987,876													27,853,750	1,250,000	282,841,626
293	1978005	Import of Fertilizer, Alum.Rods & Asbestos	CAD	3,000,000	611,970,900													66,849,000	3,000,000	678,819,900
294	1980014	Maduruoya Reservoir Complex	CAD	14,400,000	2,937,460,299													320,875,198	14,400,000	3,258,335,497
295	1983008	Maduruoya Right Bank - Mahaweli System B.	CAD	3,021,251	616,305,894													67,322,536	3,021,251	683,628,430
296	2000073	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	20,000,000	801,856,000													85,224,000	20,000,000	887,080,000

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				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
297	2002076	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	30,000,000	1,202,784,000													127,836,000	30,000,000	1,330,620,000
298	2003077	Economic and Technical Cooperation-National Performance Art Theater (Nellum Pokuna)	CNY	50,000,000	2,004,640,000													213,060,000	50,000,000	2,217,700,000
	Government of France																			
299	1997077	Expansion of Telephone Exchanges in Colombo	EUR	492,135	149,886,863							(492,135)	(149,886,863)					-	-	-
300	1997078	TA/Maintain. Water Treatment Plant Colombo	EUR	125,451	38,207,848							(125,451)	(38,207,848)					-	-	-
301	1997080	Cardio Thoracic Equipment for Kandy Hospital	EUR	578,487	176,186,661							(578,487)	(176,186,661)					-	-	-
302	1997081	Elihouse &F/S on Colombo North Water Sp	EUR	300,465	91,511,003							(300,465)	(91,511,003)						-	-
303	1997082	Modernization - Colombo Water Distrib. Network	EUR	116,837	35,584,414							(116,837)	(35,584,414)						-	-
304	1997084	Improvement of Government Film Unit	EUR	170,338	51,878,926							(170,338)	(51,878,926)						-	-
305	1998021	Water Treatment Plant at Anuradhapura	EUR	676,366	205,997,118							(676,366)	(205,997,118)					-	-	-
306	1998083	Modern. Rathmalana Air Traffic Control Syst.	EUR	274,620	83,639,531							(274,620)	(83,639,531)						-	-
307	1998084	Expansion of E 10B Telecom Exchange - 1996	EUR	184,486	56,187,905							(184,486)	(56,187,905)						-	-
308	1998090	Improvement of Government Film Unit	EUR	125,984	38,370,267							(125,984)	(38,370,267)						-	-
309	1999100	Extension of Colombo Telecommunica. Units	EUR	490,347	149,342,387							(490,347)	(149,342,387)						-	-
310	1999102	Ambathale Water Treatment Plant Project	EUR	184,592	56,220,237							(184,592)	(56,220,237)					-	-	-
311	1999103	Samanalawewa Transmission Project	EUR	45,280	13,790,637							(45,280)	(13,790,637)					-	-	-
312	1999104	Mixed Credit for Telecomm. & CEB.	EUR	159,502	48,578,690							(159,502)	(48,578,690)					-	-	-
313	2000100	Rehabilitation of Ambatale Water Plant	EUR	794,247	241,899,398							(794,247)	(241,899,398)						-	-
314	2000101	Water Supply Network of Colombo	EUR	541,172	164,821,760							(541,172)	(164,821,760)						-	-
315	2002052	Colombo Airport Telecommunication Proj.	EUR	3,284	1,000,321							(3,284)	(1,000,321)						-	-
316	2002053	Mixed Credit for Airport,Telecom, Irriga., NWSDB	EUR	22,675	6,906,014							(22,675)	(6,906,014)						-	-
317	2002055	Mixed Credit for Airport,Telecom, Irriga. NWSDB	EUR	11,908	3,626,810							(11,908)	(3,626,810)						-	-
318	2005052	Greater Trincomalee Water Supply Project	EUR	11,474,949	3,494,863,118							(11,474,949)	(3,494,863,118)						-	-
319	2007042	Spatial Information Infrastructure for Reconstruction Monitoring Project	EUR	3,982,333	1,212,877,658							(3,982,333)	(1,212,877,658)						-	-
320	2010008	Provision of Oxygen Concentrators, Operating Theaters & Medical Equipment to Tsunami Affected & Remote Hospitals Project	EUR	5,864,108	1,785,999,707							(5,864,108)	(1,785,999,707)						-	-
321	2012028	Widening and Reconstruction of 46 Bridges on National Road Network	EUR	17,885,428	5,447,268,529							(17,885,428)	(5,447,268,529)					-	-	-
322	2018047	Development of Mini Dairy Cooperatives with French Soft Loan	EUR	13,766,079	4,192,660,423	133,919	47,457,627					(12,560,811)	(3,825,578,433)					72,876,760	1,339,187	487,416,377
323	2025315	Child Loan of BPI France	EUR					57,065,805	17,380,224,234	343,972	133,093,233	57,409,778	17,513,317,467					3,381,797,817	57,409,778	20,895,115,284
	Government of Germany																			
324	1997065	Private Sector Infrastructure Development Project	EUR	1,297,656	395,219,983													77,080,487	1,297,656	472,300,470
325	1998037	Grib Substation Kelaniya & Rathmalana	EUR	4,019,352	1,224,152,161													238,748,730	4,019,352	1,462,900,891
326	1998057	Nawalapitiya Water Supply Project	EUR	2,204,972	671,556,244													130,974,834	2,204,972	802,531,078
327	1998058	Ampara Water Supply Project	EUR	1,317,387	401,229,566													78,252,515	1,317,387	479,482,081
328	1999026	Koggala Water Supply Project	EUR	2,686,772	818,295,764													159,593,773	2,686,772	977,889,537
329	1999054	NDB IV Project	EUR	4,601,627	1,401,492,668													273,335,720	4,601,627	1,674,828,388
330	2000010	DFCC Bank (DFCCiii)	EUR	4,653,777	1,417,375,505													276,433,530	4,653,777	1,693,809,035
331	2001042	Colombo Grib Substation Project	EUR	6,702,014	2,041,196,219													398,098,292	6,702,014	2,439,294,511
332	2001049	Purchase of 16 Locomotives (11 a)	EUR	2,326,377	708,531,882													138,186,349	2,326,377	846,718,231
333	2001054	General Commodity Aid 1995 for Potash	EUR	2.692.053	819.903.867													159.907.449	2.692.053	979.811.316
334	2001058	Import of Commodities	EUR	1,309,930	398,958,441													77,809,606	1,309,930	476,768,047
335	2001060	Commodity Aid for Electro. Equip. for CBSL	EUR	260,759	79,417,881													15,489,020	260,759	94,906,901
336	2001061	Kirindioya Irrigation & Settlement Project	EUR	1,832,370	558,075,049													108,842,325	1,832,370	666,917,374
337	2001063	Railway Wagons for Fertilizer Distribut.	EUR	1,670,904	508,898,269													99,251,306	1,670,904	608,149,575
338	2001064	Import of Commodities	EUR	1,973,587	601,084,796													117,230,611	1,973,587	718,315,407
339	2001065	Expans of Two 132/11KV Substa. In Colombo	EUR	3,170,011	965,472,999													188,297,993	3,170,011	1,153,770,992
340	2001067	Import of Commodity Loan XIII	EUR	1,022,583	311,442,655													60,741,233	1,022,583	372,183,888
341	2001068	Import of Commodities XVI	EUR	1.725.609	525.559.427													102.500.756	1.725.609	628.060.183
342	2001100	Randenigala Dam Project	EUR	51,129,188	15,572,140,605													3,037,063,525	51,129,188	18,609,204,130
343	2001101	2nd Ext. of Sapugaskanda Deisal Power Pl	EUR	18,659,086	5,682,897,053													1,108,345,974	18,659,086	6,791,243,027
344	2001102	Rantembe Dam Project	EUR	24,611,542	7,495,804,781													1,461,920,738	24,611,542	8,957,725,519
345	2001103	Railway Bridges Project	EUR	570,604	173,785,658													33,893,749	570,604	207,679,407
346	2001104	Small Entrepreneur Promot. Pg. (DFCC II)	EUR	511,804	155,877,338													30,401,030	511,804	186,278,368
347	2001105	Kirindioya Irrigation & Settlement Project	EUR	2,625,997	799,785,757													155,983,667	2,625,997	955,769,424
348	2001106	Import of Commodities XVII	EUR	2,092,208	637,212,679													124,276,714	2,092,208	761,489,393
349	2001108	Import of Commodities XVIII	EUR	2,172,992	661,816,412													129,075,263	2,172,992	790,891,675
350	2001110	Supply of a Railway Crane	EUR	586,452	178,612,458													34,835,101	586,452	213,447,559
351	2001111	Import of Commodities (12)	EUR	507,202	154,475,652													30,127,657	507,202	184,603,309
352	2001112	Import of Commodities XIX	EUR	1,425,481	434,150,904													84,673,211	1,425,481	518,824,115
353	2001113	Import of Commodities x	EUR	824,204	251,023,435													48,957,539	824,204	299,980,974
354	2001115	Railway Bridges II	EUR	4,159,872	1,266,949,947													247,095,603	4,159,872	1,514,045,550
355	2001116	Import of Commodities (11 b)	EUR	450,960	137,346,607													26,786,944	450,960	164,133,551

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				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
356	2001117	Small Entrepreneur Promotion Programme by DFCC	EUR	1,698,000	517,150,748													100,860,931	1,698,000	618,011,679
357	2001118	Embilipitiya Paper Mills Project	EUR	434,599	132,363,344													25,815,084	434,599	158,178,428
358	2001122	NDB Small Loan Programme iii	EUR	573,670	174,719,472													34,075,884	573,670	208,795,356
359	2001123	Import of Commodities IX	EUR	455,561	138,747,751													27,060,237	455,561	165,807,988
360	2003047	NDB VI -Small and Micro Enterprises	EUR	1,476,757	449,767,872													87,719,094	1,476,757	537,486,966
361	2005043	DFCC IV Private Sector Development	EUR	4,032,919	1,228,284,308													239,554,571	4,032,919	1,467,838,879
362	2005044	NDB V- Private Sector Promotion Programme	EUR	4,032,919	1,228,284,304													239,554,571	4,032,919	1,467,838,875
363	2005051	Rehabilitation Electricity Supply Jaffna Region (Transmission Line)	EUR	4,546,238	1,384,623,151													270,045,627	4,546,238	1,654,668,778
364	2006040	DFCC V Credit Line for SME in the North and East	EUR	4,004,000	1,219,476,658													237,836,799	4,004,000	1,457,313,457
365	2010036	Reconstruction of Water Supply Galle District - Phase ii	EUR	1,210,204	368,585,334													71,885,883	1,210,204	440,471,217
366	2012022	Construction of Mahamodara Maternity Hospital, Galle	EUR	6,338,339	1,930,433,530	2,103,681	467,121,447											675,040,077	8,442,020	3,072,595,055
	Government of India																			
366	2001041	Line of Credit	USD	3,955,873	1,157,422,376													68,876,100	3,955,873	1,226,298,476
367	2003049	Indian Line of Credit	USD	7,368,887	2,156,013,275													128,300,586	7,368,887	2,284,313,861
368	2004040	Indian Line of Credit	USD	3,069,103	897,968,220													53,436,455	3,069,103	951,404,675
369	2008006	Indian Dollar Credit Line Agreement	USD	26,992,078	7,897,431,088							(18,746,721)	(5,484,977,304)	310,315	93,901,089			141,265,768	7,935,041	2,459,818,463
370	2025302	Indian Dollar Credit Line Agreement	USD					18,746,721	5,484,977,304			18,746,721	5,484,977,304					326,401,314	18,746,721	5,811,378,618
371	2008011	Upgrading of Railway Line Colombo Matara	USD	872,131	255,171,018							(872,131)	(255,171,018)						-	-
372	2025303	Upgrading of Railway Line Colombo Matara	USD					872,131	255,171,018			872,187	255,171,018					15,202,099	872,187	270,373,117
373	2010010	Upgrading of Railway Line Colombo Matara Phase II	USD	4,433,699	1,297,226,407							(4,433,699)	(1,297,226,407)						-	-
374	2025304	Upgrading of Railway Line Colombo Matara Phase II	USD					4,433,699	1,297,226,407			4,433,699	1,297,226,407					77,195,522	4,433,699	1,374,421,929
375	2010052	Railway Line Omanthai -Pallai, Madhu-Tallaimannar & Medawachchiya	USD	284,499,269	83,239,734,646							(284,499,269)	(83,239,734,646)						-	-
376	2025305	Railway Line Omanthai -Pallai,Madhu-Tallaimannar & Medawachchiya	USD					284,499,269	83,239,734,646			284,499,269	83,239,734,646					4,953,445,204	284,499,269	88,193,179,850
377	2012003	Restoration of Northern Railway Services	USD	288,584,231	84,434,926,787							(285,243,421)	(83,457,461,393)					58,166,908	3,340,810	1,035,632,302
378	2025306	Restoration of Northern Railway Services	USD					285,243,421	83,457,461,393			285,243,421	83,457,461,393					4,966,401,726	285,243,421	88,423,863,119
379	2017013	Dollar Credit Line 318M of the Development of Railway Sector	USD	155,741,133	45,567,254,560	13,085,641	4,052,753,989					(123,529,433)	(36,142,649,017)	18,306,256	5,466,346,872			356,071,398	26,991,086	8,367,084,058
380	2025307	Dollar Credit Line 318M of the Development of Railway Sector	USD					123,529,433	36,142,649,017			123,529,433	36,142,649,017					2,150,783,302	123,529,433	38,293,432,319
381	2018002	Dollar Credit Line on KKS Harbour	USD	905,194	264,844,758							(796,055)	(232,912,308)					1,900,242	109,140	33,832,692
382	2025308	Dollar Credit Line on KKS Harbour	USD					796,055	232,912,308			796,055	232,912,308					13,860,188	796,055	246,772,496
	Export Import Bank of India																			
383	2012002	Greater Dambulla Water Supply Project i	USD	21,109,565	6,176,306,256							(21,109,565)	(6,176,306,256)						-	-
384	2013046	Procurement of Two Advanced Offshore Patrol Vessels	USD	42,322,648	12,382,900,023							(42,322,648)	(12,382,900,023)						-	-
385	2025309	Greater Dambulla Water Supply Project i	USD	-	-	-	-	21,109,565	6,176,306,256			21,109,565	6,176,306,256					367,540,752	21,109,565	6,543,847,008
386	2025310	Procurement of Two Advanced Offshore Patrol Vessels	USD					42,322,648	12,382,900,023			42,322,648	12,382,900,023					736,883,856	42,322,648	13,119,783,879
387	2025301	Funded Interest Term Loan Agreement (FITL)	USD							15,733,640	5,713,042,089	15,733,640	5,713,042,089					(835,701,738)	15,733,640	4,877,340,351
388	2025311	Funded Interest Term Loan Agreement (FITL)	USD							2,995,430	1,087,670,587	2,995,430	1,087,670,587					(159,104,061)	2,995,430	928,566,526
389	2022011	Importation of Essential Commodities under Indian Credit Facility (USD 1000 Mn)	USD	481,000,000	140,732,566,237									350,000,000	105,500,075,000			5,376,774,100	131,000,000	40,609,265,337
390	2022020	Dollar Credit Line for India EXIM Bank for the Procurement of Urea Fertilizer USD 55 Mn	USD	45,559,332	13,329,899,814									45,559,332	13,711,440,998			381,541,184	-	-
	Government of Japan																			
391	1993023	Baseline Road Project	JPK	360,453	674,119,201							(360,453)	(674,119,201)					-	-	-
392	1993024	Port of Colombo Extension Project IV	JPK	499,623	934,394,935							(499,623)	(934,394,935)					-	-	-
393	1993025	Transmission Sys. Augmentation & Dev. Project	JPK	48,141	90,033,298							(48,141)	(90,033,298)					-	-	-
394	1993026	S.Lan.-Jap. Friendship Bridge Widening Project	JPK	158,316	296,082,584							(158,316)	(296,082,584)					-	-	-
395	1993027	The Regional Telecommunications Dev. Project	JPK	697,353	1,304,189,581							(697,353)	(1,304,189,581)					-	-	-
396	1993028	Greater Colombo Water Sup. Sys. Extension Project	JPK	245,316	458,789,984							(245,316)	(458,789,984)					-	-	-
397	1994015	Greater Colombo Flood Control & Env. Project (II)	JPK	432,660	809,160,732							(432,660)	(809,160,732)					-	-	-
398	1994016	Industrial Estates Development Project	JPK	461,280	862,685,856							(461,280)	(862,685,856)					-	-	-
399	1994017	Kukule Ganga Hydroelectric Power Project	JPK	2,350,240	4,395,418,848							(2,350,240)	(4,395,418,848)					-	-	-
400	1994018	Port of Colombo North Pier Develop. Project	JPK	594,895	1,112,572,628							(594,895)	(1,112,572,628)					-	-	-
401	1994019	Walawe L.B. Irrgat. Upgrading & Exp. Project	JPK	46,215	86,431,292							(46,215)	(86,431,292)					-	-	-
402	1994020	Coal Fired Thermal Development Project	JPK	82,070	153,487,314							(82,070)	(153,487,314)					-	-	-
403	1995028	Samanalawewa Hydro Electric Power Project	JPK	535,038	1,000,628,051							(535,038)	(1,000,628,051)					-	-	-
404	1995029	Walawe Left Bank Irrga. Upgra & Exten. Project	JPK	426,020	796,742,604							(426,020)	(796,742,604)					-	-	-
405	1996053	Kelanitissa Combined Cycle Power Plant	JPK	3,269,860	6,115,292,172							(3,269,860)	(6,115,292,172)					-	-	-

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
406	1996054	Walawe Left Bank Irriga. & Exten Project (II)	JPK	2,101,450	3,930,131,776							(2,101,450)	(3,930,131,776)					-	-	-
407	1996055	Towns North of Colombo Water Supply Project	JPK	1,248,010	2,334,028,299							(1,248,010)	(2,334,028,299)					-	-	-
408	1996056	G.C. Flood Control & Enviro. Imp. Project (III)	JPK	1,432,780	2,679,585,172							(1,432,780)	(2,679,585,172)					-	-	-
409	1996057	Plantation Reform Project	JPK	994,140	1,859,240,628							(994,140)	(1,859,240,628)					-	-	-
410	1997032	Transmission & Substation Dev. Project	JPK	663,531	1,240,935,676							(663,531)	(1,240,935,676)					-	-	-
411	1997051	Baseline Road Project (II)	JPK	614,636	1,149,492,247							(614,636)	(1,149,492,247)					-	-	-
412	1997052	Telecom. Network Expan. Project in Colombo	JPK	2,239,314	4,187,965,043							(2,239,314)	(4,187,965,043)					-	-	-
413	1997053	Kalu Ganga Water Supply Project for Greater Col.	JPK	2,976,226	5,566,137,873							(2,976,226)	(5,566,137,873)					-	-	-
414	1997054	Mahaweli System C. Upgrading Project	JPK	825,913	1,544,622,493							(825,913)	(1,544,622,493)					-	-	-
415	1997055	Small & Micro Ind. Leader & Entrepre. Project	JPK	1,451,483	2,714,563,507							(1,451,483)	(2,714,563,507)					-	-	-
416	1998053	Transmission & Substation Dev. Project II	JPK	923,216	1,726,598,564							(923,216)	(1,726,598,564)					-	-	-
417	1998054	Medium Voltage Distribution Network	JPK	1,108,753	2,073,589,862							(1,108,753)	(2,073,589,862)					-	-	-
418	1998055	Telecom. Network Expansion - Colombo Metro	JPK	92,092	172,230,457							(92,092)	(172,230,457)					-	-	-
419	1998056	Environmentally Friendly Solution Fund	JPK	1,281,753	2,397,134,462							(1,281,753)	(2,397,134,462)					-	-	-
420	1999029	Bandaranayake Inter. Airport Dev. Project	JPK	4,650,533	8,697,426,830							(4,650,533)	(8,697,426,830)					-	-	-
421	1999030	Road Network Improvement Project	JPK	1,197,245	2,239,087,609							(1,197,245)	(2,239,087,609)					-	-	-
422	1999031	Poverty Alleviation Micro Finance Project -	JPK	500,430	935,904,184							(500,430)	(935,904,184)					-	-	-
423	1999032	Engineer. Service for the S.thern Highway	JPK	217,665	407,077,082							(217,665)	(407,077,082)					-	-	-
424	1999033	Reduction of Non Revenue Water Project	JPK	134,035	250,672,256							(134,035)	(250,672,256)					-	-	-
425	1999034	Urgent Upgrading of Colombo Port Project	JPK	620,280	1,160,047,646							(620,280)	(1,160,047,646)					-	-	-
426	2000015	Port of Colombo North Pier. Dev. Project II (Modification Agreement)	JPK	1,031,856	1,929,777,093							(1,031,856)	(1,929,777,093)					-	-	-
427	2001043	Small & Micro Ind. Leader & Entrepr. Project II	JPK	1,880,676	3,517,240,255							(1,880,676)	(3,517,240,255)					-	-	-
428	2001044	Impro. Nati. Blood Transfusion Services	JPK	604,756	1,131,014,671							(604,756)	(1,131,014,671)					-	-	-
429	2001045	Southern Highway Construction Project	JPK	8,424,288	15,755,103,398							(8,424,288)	(15,755,103,398)					-	-	-
430	2001046	Greater Kandy Water Supply Project	JPK	2,892,978	5,410,447,445							(2,892,978)	(5,410,447,445)					-	-	-
431	2001051	Colombo City Electricity Distribution Development Project	JPK	3,052,680	5,709,122,043							(3,052,680)	(5,709,122,043)					-	-	-
432	2001052	Lunawa Envir. Improv. & Community Dev. Project	JPK	3,217,120	6,016,657,834							(3,217,120)	(6,016,657,834)					-	-	-
433	2002040	Upper Kotmale Hydro Power Project	JPK	21,407,960	40,037,166,314							(21,407,960)	(40,037,166,314)					-	-	-
434	2003041	Power Sector Restructuring Programme	JPK	1,996,082	3,733,072,556							(1,996,082)	(3,733,072,556)					-	-	-
435	2003042	Plantation Reform Project II	JPK	910,624	1,703,048,997							(910,624)	(1,703,048,997)					-	-	-
436	2003043	Provincial Road Improvement Project	JPK	3,105,234	5,807,408,605							(3,105,234)	(5,807,408,605)					-	-	-
437	2003044	Pro-poor Economic Advt. & Commu. Enht. (PEACE)	JPK	3,207,666	5,998,976,958							(3,207,666)	(5,998,976,958)					-	-	-
438	2003045	Power Sector Restructuring Project (Kerawalapitiya)	JPK	1,541,606	2,883,111,543							(1,541,606)	(2,883,111,543)					-	-	-
439	2003046	Small Scale Infrastructure Rehabilitation & Upgrading	JPK	5,148,286	9,628,324,477							(5,148,286)	(9,628,324,477)					-	-	-
440	2004044	Small Scale Infrastructure Rehabilitation & Upgrading (SIRUP II)	JPK	8,874,642	16,597,355,468							(8,874,642)	(16,597,355,468)					-	-	-
441	2004045	Small And Micro Industries Leader and Entrepreneur Promotion (SMI LE iii)	JPK	7,104,976	13,287,725,129							(7,104,976)	(13,287,725,129)					-	-	-
442	2004046	Environmentally Friendly Solution Fund (II)	JPK	3,210,478	6,004,236,198							(3,210,478)	(6,004,236,198)					-	-	-
443	2005040	Vavuniya- Kilinochchi Transmission Line Project	JPK	966,743	1,808,002,758							(966,743)	(1,808,002,758)					-	-	-
444	2005041	Sri Lanka Tsunami Affected Area Recovery & Take off (STAART) Project	JPK	7,709,457	14,418,226,483							(7,709,457)	(14,418,226,483)					-	-	-
445	2006042	Pro - Poor Eastern Infrastructure Development Project	JPK	3,509,424	6,563,324,842							(3,509,424)	(6,563,324,842)					-	-	-
446	2006043	Tourism Resources Improvement Project	JPK	689,160	1,288,867,012							(689,160)	(1,288,867,012)					-	-	-
447	2007004	Greater Colombo Transport Development Project	JPK	16,034,130	29,987,029,933							(16,034,130)	(29,987,029,933)					-	-	-
448	2007005	Pro-Poor Rural Development Project	JPK	2,965,980	5,546,976,576							(2,965,980)	(5,546,976,576)					-	-	-
449	2007006	Water Sector Development Project	JPK	9,681,210	18,105,798,938							(9,681,210)	(18,105,798,938)					-	-	-
450	2008012	Greater Colombo Urban Transport Development Project - Phase 2(i)	JPK	4,964,298	9,284,230,119							(4,964,298)	(9,284,230,119)					-	-	-
451	2008013	Southern Highway Construction Project (II)	JPK	14,014,770	26,210,422,858							(14,014,770)	(26,210,422,858)					-	-	-
452	2008014	Water Sector Development Project (II)	JPK	6,655,638	12,447,374,193							(6,655,638)	(12,447,374,193)					-	-	-
453	2008015	Poverty Alleviation Micro Finance Project - II	JPK	2,225,629	4,162,371,355							(2,225,629)	(4,162,371,355)					-	-	-
454	2008016	Energy Diversification Enhancement Project (Engineering Services)	JPK	391,677	732,514,326							(391,677)	(732,514,326)					-	-	-
455	2010013	Provincial /Rural Road Development Project (Central Province and Sabaragamuwa Province)	JPK	8,028,504	15,014,908,173							(8,028,504)	(15,014,908,173)					-	-	-
456	2010014	Provincial /Rural Road Development Project (Eastern Province)	JPK	3,632,496	6,793,494,014							(3,632,496)	(6,793,494,014)					-	-	-
457	2010015	Eastern Province Water Supply Development Project	JPK	4,449,817	8,322,047,230							(4,449,817)	(8,322,047,230)					-	-	-

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
458	2010016	Kandy City Waste Water Management Project	JPK	10,479,783	19,599,290,910	107,070	213,478,291					(10,066,145)	(18,825,703,833)	16,249	32,838,873			45,309,181	504,459	999,535,677
459	2010017	Upper Kotmale Hydro Power Project II	JPK	4,175,976	7,809,910,307							(4,175,976)	(7,809,910,307)						-	-
460	2011003	Greater Colombo Urban Transport Development Project - Phase II	JPK	28,506,304	53,312,489,739							(28,506,304)	(53,312,489,739)						-	-
461	2011004	Vavuniya- Kilinochchi Transmission Line Project - Phase II	JPK	1,297,228	2,426,075,170							(1,297,228)	(2,426,075,170)						-	-
462	2011027	Emergency Natural Disaster Rehabilitation Project	JPK	6,758,273	12,639,322,165							(6,758,273)	(12,639,322,165)						-	-
463	2012006	Habarana-Veyangoda Transmission Line Project	JPK	9,183,474	17,174,933,049	232,490	444,346,779					(8,385,086)	(15,681,788,039)	37,499	75,786,882			106,576,600	993,379	1,968,281,507
464	2012007	Improvement of Basic Social Services Targeting Emerging Regions	JPK	3,810,360	7,126,134,542							(3,810,360)	(7,126,134,542)						-	-
465	2013016	Greater Colombo Transmission and Distribution Loss Reduction Project	JPK	15,594,250	29,164,366,854							(15,594,250)	(29,164,366,854)						-	-
466	2013018	Major Bridges Construction Project of the National Road Network	JPK	7,795,288	14,578,748,390							(7,795,288)	(14,578,748,390)						-	-
467	2013019	Landslide Disaster Protection Project of the National Road Network	JPK	5,433,984	10,162,636,876							(5,433,984)	(10,162,636,876)						-	-
468	2013020	Anuradhapura North Water Supply Project (i)	JPK	4,116,013	7,697,767,035	349,811	721,487,149					(3,798,942)	(7,104,780,687)	145,407	289,675,044			8,452,311	521,475	1,033,250,763
469	2014003	New Bridge Construction Project Over the Kelani River	JPK	33,795,704	63,204,725,518	385,089	801,984,234					(31,764,724)	(59,406,385,968)	605,978	1,202,724,745			188,916,952	1,810,092	3,586,515,991
470	2015018	National Transmission and Distribution Network Development and Efficiency Improvement Project	JPK	14,878,110	27,825,041,439	1,150,644	2,320,692,703					(8,615,656)	(16,113,000,480)	376,604	769,213,982			678,588,997	7,036,494	13,942,108,677
471	2016032	Development Policy Loan (Private Sector Development, Governance Improvement & Fiscal Consolidation)	JPK	10,000,000	18,702,000,000	-	-					(10,000,000)	(18,702,000,000)	-	-			-	-	-
472	2016037	Anuradhapura North Water Supply Project (Phase 2)	JPK	144,007	269,322,489	3,913	7,781,681					(136,810)	(255,862,685)	445	899,365			789,134	10,665	21,131,255
473	2017015	Rural Infrastructure Development Project in Emerging Regions	JPK	3,114,434	5,824,614,327	381,475	765,101,867					(2,638,914)	(4,935,296,029)	13,630	27,537,546			44,162,001	843,366	1,671,044,620
474	2017016	Kalu Ganga Water Supply Expansion Project	JPK	479,444	896,656,980	44,210	89,770,352					(303,358)	(567,340,057)	41,918	84,686,935			19,038,649	178,378	353,438,989
475	2018032	Health and Medical Service Improvement Project	JPK	262,343	490,633,850	19,499	39,492,670					(184,765)	(345,547,279)					7,769,067	97,077	192,348,308
476	2019011	Establishment of Light Rail Transit Project System in Colombo (i)	JPK	3,305,698	6,182,316,010	40	80,705					(2,905,813)	(5,434,451,978)					44,465,647	399,924	792,410,385
477	2025002	Child Loan of Japan Restructured (March 07.2025)	JPK					351,183,681	656,783,719,609	3,178,181	8,703,449	354,361,862	656,792,423,058					45,340,169,350	354,361,862	702,132,592,408
478	2014023	Digitalization of Terrestrial Television Broadcasting Project	JPK			180,016	353,416,098											3,267,448	180,016	356,683,546
	Government of Korea																			
479	1996042	Ratnapura-Balangoda Road Rehabilitation	KRK	5,515,191	1,095,316,932													89,897,613	5,515,191	1,185,214,545
480	1996043	Housing Project for Public Servants	KRK	1,837,215	364,870,898													29,946,605	1,837,215	394,817,503
481	2001048	Greater Galle Water Supply Project	KRK	16,746,467	3,325,848,346													272,967,412	16,746,467	3,598,815,758
482	2003048	Balangoda-Bandarawela Road Rehabilitation Project	KRK	10,926,708	2,170,044,305													178,105,348	10,926,708	2,348,149,653
483	2005042	Greater Galle Water Supply Project Phase II	KRK	10,461,474	2,077,648,736													170,522,026	10,461,474	2,248,170,762
484	2005046	Re-Engineering Government Component of e-Sri Lanka Project	KRK	10,102,848	2,006,425,613													164,676,422	10,102,848	2,171,102,035
485	2006044	Administrative Complex in Hambantota Project	KRK	13,767,576	2,734,240,594													224,411,489	13,767,576	2,958,652,083
486	2007013	Greater Galle Water Supply Project Phase II (Supplementary)	KRK	5,226,166	1,037,916,567													85,186,506	5,226,166	1,123,103,073
487	2007016	Upgrading of Niyagama National Vocational Training Centre Project	KRK	4,838,358	960,897,899													78,865,235	4,838,358	1,039,763,134
488	2008040	Lanka Government Network Stage II Project	KRK	7,079,072	1,405,903,699													115,388,874	7,079,072	1,521,292,573
489	2008041	Improvement of Padeniya- Anuradhapura Road Project	KRK	64,500,652	12,809,829,487													1,051,360,628	64,500,652	13,861,190,115
490	2009004	Ruhunupura Water Supply Development Project	KRK	76,167,245	15,126,814,556													1,241,526,094	76,167,245	16,368,340,650
491	2010041	Hatton - Nuwara Eliya Road Improvement Project	KRK	41,486,588	8,239,236,377													676,231,384	41,486,588	8,915,467,761
492	2012027	Improvement of Padeniya- Anuradhapura Road Project (Supplementary Loan)	KRK	12,923,423	2,566,591,784													210,651,793	12,923,423	2,777,243,577
493	2013033	Establishment of Colombo Central Vocational Training Center & Gampaha College of Technology Project in Sri Lanka	KRK	20,356,331	4,042,767,404													331,808,201	20,356,331	4,374,575,605
494	2014038	Deduru oya Water Supply Project	KRK	67,021,640	13,310,497,679													1,092,452,730	67,021,640	14,402,950,409
495	2014039	Ruwanwalla Water Supply Project	KRK	14,779,872	2,935,282,634	1,841,256	372,117,773							269,112	57,038,414			263,686,190	16,352,016	3,514,048,183
496	2015011	Hatton-Nuwara Eliya Improvement Project (Supplementary Loan)	KRK	18,826,696	3,738,981,875													306,875,149	18,826,696	4,045,857,024

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
	Government of Kuwait																			
497	1995013	Bridges Reconstruction & Rehabilitation Project	KWD	246,001	233,702,350													14,100,308	246,001	247,802,658
498	1999017	Rehabilitation of Irrigation Schemes - Hambanthota	KWD	240,000	228,001,802													13,756,368	240,000	241,758,170
499	2000023	Rural Electrification Project V	KWD	459,800	436,813,452													26,354,909	459,800	463,168,361
500	2005048	Strengthening of Tertiary Education & Administrative Infrastructure in Tsunami Affected Areas	KWD	3,097,653	2,942,793,206													177,551,860	3,097,653	3,120,345,066
501	2007041	South Eastern University of Sri lanka Development Project Phase I "A"	KWD	1,100,000	1,045,008,250													63,050,020	1,100,000	1,108,058,270
502	2009002	Kalu Ganga Development Project	KWD	6,375,000	6,056,297,326													365,403,525	6,375,000	6,421,700,851
503	2011030	South Eastern University of Sri Lanka Development Project Phase I "B"	KWD	2,214,401	2,103,697,549													126,925,506	2,214,401	2,230,623,055
504	2014002	Reconstruction of 25 Bridges Project	KWD	6,160,335	5,852,364,347													353,099,307	6,160,335	6,205,463,654
505	2016017	Building Complex for the Faculty of Healthcare Sciences, Eastern University	KWD	5,329,203	5,062,783,000													305,460,334	5,329,203	5,368,243,334
506	2017033	Kalu Ganga Development Project (Supplementary)	KWD	4,083,603	3,879,453,528													234,064,777	4,083,603	4,113,518,305
	Government of Pakistan																			
507	1991003	Pakistan Line of Credit (Pakistan)	USD	480,000	140,439,984													8,357,328	480,000	148,797,312
508	2006071	Pakistan Line of Credit	USD	1,628,766	476,549,597													28,358,623	1,628,766	504,908,220
	Government of Russia																			
509	2010018	Russian Line of Credit (Russia)	USD	35,415,915	10,362,105,275													616,630,037	35,415,915	10,978,735,312
	Government of Spain																			
510	2006087	The Supply & Construction of Pre-Fabricated Metal Bridges	EUR	6,980,000	2,125,860,908													414,610,604	6,980,000	2,540,471,512
511	2007001	Design Supply & Setting up of Two Water Treatment Plants at Galle & Negambo	EUR	12,937,325	3,940,251,208													768,474,516	12,937,325	4,708,725,724
512	2015032	Supply of Three Flyovers in Ganemulla, Polgahawela and Rajagiriya (Bilateral Portion)	EUR	35,507,940	10,814,461,738													2,109,164,572	35,507,940	12,923,626,310
513	2016023	Implementation of Anamaduwa Integrated Water Supply Project	EUR	18,816,155	5,730,734,368													1,117,675,775	18,816,155	6,848,410,143
	Government of the United States of America																			
514	1980028	Jaffna Market Town Water Supply	USD	73,400	21,475,678													1,277,979	73,400	22,753,657
515	1980034	Water Management Project	USD	200,486	58,658,896													3,490,685	200,486	62,149,581
516	1980115	Reforestation & Watershed Management Project	USD	408,887	119,633,409													7,119,177	408,887	126,752,586
517	1981024	Mahaweli Basin Dev. Phase 2 Maduruoya	USD	619,115	181,142,719													10,779,459	619,115	191,922,178
518	1982018	Supply of Wheat PL 480-Title 1 -1983	USD	1,363,609	398,969,308													23,741,945	1,363,609	422,711,253
519	1982019	Supply of Wheat PL 480-Title 1 -1982	USD	537,397	157,233,362													9,356,676	537,397	166,590,038
520	1982093	Mahaweli Basin Development-Phase 2	USD	2,422,099	708,665,708													42,177,407	2,422,099	750,837,115
521	1982094	Mahaweli Sec. Support (Rupee Expenditure)	USD	1,098,016	321,261,130													19,117,694	1,098,016	340,378,824
522	1982100	Mahaweli Development - Phase 2 & Maduruoya Project	USD	286,409	83,798,612													4,986,703	286,409	88,785,315
523	1983013	Private Enterprise Promotion Project	USD	143,054	41,855,323													2,490,734	143,054	44,346,057
524	1983016	Supply of Wheat PL 480-Title 1 -1984	USD	2,195,945	642,496,912													38,233,834	2,195,945	680,730,746
525	1983082	Mahaweli Sec. Support	USD	2,307,832	675,233,212													40,181,890	2,307,832	715,415,102
526	1983083	Mahaweli Dev. Phase 2- Maduroya Sys.B. Project	USD	2,291,276	670,389,234													39,893,623	2,291,276	710,282,857
527	1983084	Malaria Control Project	USD	687,356	201,108,955													11,967,643	687,356	213,076,598
528	1983089	Water Management Project	USD	185,755	54,348,828													3,234,204	185,755	57,583,032
529	1984006	Mahaweli Dev. Phase 2- Maduroya Sys.B. Project	USD	4,041,655	1,182,520,791													70,369,673	4,041,655	1,252,890,464
530	1984007	Malaria Control Project	USD	704,223	206,044,011													12,261,282	704,223	218,305,293
531	1984008	Mahaweli Basin. Dev. Ph-2 (Mad.Oya Sys.B)	USD	1,630,672	477,107,491													28,391,776	1,630,672	505,499,267
532	1984013	Water Supply & Sanitation Project	USD	245,314	71,774,668													4,271,162	245,314	76,045,830
533	1984014	Diversified Agriculture Research Project	USD	476,062	139,287,953													8,288,765	476,062	147,576,718
534	1984016	Supply of Wheat PL 480-Title 1 -1985	USD	2,489,088	728,265,727													43,337,693	2,489,088	771,603,420
535	1984068	Water Supply & Sanitation Project	USD	802,903	234,915,991													13,979,434	802,903	248,895,425
536	1984072	Malaria Control Project	USD	411,021	120,257,806													7,156,331	411,021	127,414,137
537	1984074	Diversified Agriculture Research Project	USD	349,460	102,246,250													6,084,482	349,460	108,330,732
538	1984084	Mahaweli Dev. Phase 2- Maduroya Sys.B. Project	USD	42,861	12,540,454													746,258	42,861	13,286,712
539	1985009	Supply of Wheat PL 480-Title 1 -1986	USD	4,898,867	1,433,326,801													85,294,670	4,898,867	1,518,621,471
540	1986002	Water Supply & Sanitation Project	USD	343,977	100,642,033													5,989,013	343,977	106,631,046
541	1986004	Supply of Wheat PL 480-Title 1 -1987	USD	4,233,577	1,238,673,841													73,711,214	4,233,577	1,312,385,055
542	1986010	Irrigation System Management Project	USD	2,346,470	686,537,886													40,856,619	2,346,470	727,392,505
543	1986011	Agricultural Planning & Analysis Project	USD	321,617	94,099,879													5,599,707	321,617	99,699,586
544	1987009	Mahaweli Agriculture & Rural Development	USD	1,011,578	295,970,974													17,612,678	1,011,578	313,583,652
545	1987010	Mahaweli Downstream Support Project	USD	1,224,387	358,235,341													21,317,922	1,224,387	379,553,263
546	1987026	Supply of Wheat PL 480-Title 1 -1988	USD	5,582,240	1,633,270,405													97,192,951	5,582,240	1,730,463,356
547	1987027	Irrigation System Management Project	USD	1,260,152	368,699,540													21,940,624	1,260,152	390,640,164
548	1988046	Supply of Wheat PL 480-Title 1 -1989	USD	8,549,995	2,501,585,597													148,864,855	8,549,995	2,650,450,452
549	1988087	Mahaweli Agriculture & Rural Development	USD	204,256	59,761,934													3,556,324	204,256	63,318,258
550	1989019	Water Supply & Sanitation Project	USD	615	179,904													10,706	615	190,609
551	1989054	Supply of Wheat PL 480-Title 1 -1990	USD	10,421,742	3,049,227,356													181,453,974	10,421,742	3,230,681,330
552	1992024	Supply of Wheat PL 480-Title 1 -1992	USD	540,408	158,114,200													9,409,111	540,408	167,523,311

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
553	1993006	Supply of Wheat PL 480-Title 1 -1993	USD	825,252	241,454,798													14,368,519	825,252	255,823,317
554	1994002	Supply of Wheat PL 480-Title 1 -1994	USD	2,240,957	655,666,556													39,017,502	2,240,957	694,684,058
555	1994040	Supply of Wheat PL 480-Title 1 -1995	USD	3,242,897	948,817,463													56,462,427	3,242,897	1,005,279,890
556	1995055	Supply of Wheat PL 480-Title 1 -1996	USD	1,990,899	582,503,764													34,663,739	1,990,899	617,167,503
557	1997013	PL 480 Title 1 for FY 1997	USD	2,292,520	670,753,094													39,915,315	2,292,520	710,668,409
558	1998007	PL 480 Title 1 for FY 1998	USD	2,673,869	782,329,332													46,554,987	2,673,869	828,884,319
559	2000031	Import of Wheat- PL 480-Title 1 , 2000	USD	1,720,382	503,355,119													29,953,716	1,720,382	533,308,835
560	2001047	Import of Wheat- PL 480 Title 1, FY 2001	USD	2,984,725	873,280,889													51,967,321	2,984,725	925,248,210
	HSBC (With Guarantee of EKF Denmark)																			
561	2015019	Establishment of Dairy Processing Plant at Badalgama	EUR	30,284,845	9,223,691,975							(30,284,845)	(9,223,691,975)					-	-	-
562	2025328	Establishment of Dairy Processing Plant at Badalgama	USD					33,684,547	9,223,691,975	5,418,738	1,967,597,955	39,103,285	11,191,289,930					930,508,986	39,103,285	12,121,798,916
	HSBC Limited (Hong Kong)																			
563	2018015	Procurement of 09 Nos Diesel Multiple Unit for Upcountry Line Operation of SLR	USD	70,581,521	20,650,974,451													1,228,901,927	70,581,521	21,879,876,378
	HSBC Bank PLC (UK)																			
564	2007027	Regional Bridge Project HSBC Bank Plc (UK)	JPK	560,000	1,047,312,000							(560,000)	(1,047,312,000)					-	-	-
565	2025319	Child Loan of 2007027 Regional Bridge Project HSBC Bank	JPK					560,000	1,047,312,000	22,941	43,847	582,941	1,047,355,847					107,683,339	582,941	1,155,039,186
566	2019018	Upgrading Health Facilities in Selected Hospitals of Sri Lanka	USD	52,527,639	15,368,709,893													914,563,971	52,527,639	16,283,273,864
	IBRD of World Bank																			
567	2012011	Metro Colombo Urban Development	USD	131,130,608	38,366,626,139									10,927,988	3,299,257,383			2,194,770,442	120,202,620	37,262,139,198
568	2014013	Disaster Risk Management Dev. Policy Loan with a Catastrophe Differed Draw Down Option CAT-DDC	USD	54,019,200	15,805,115,799									5,997,600	1,810,729,119			892,040,398	48,021,600	14,886,427,078
569	2017019	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme	USD	64,844,840	18,972,517,375													1,129,020,000	64,844,840	20,101,537,375
570	2018036	PPF-Programmatic Preparation Advance No - P 4940	USD	250,000	73,145,825													4,352,775	250,000	77,498,600
571	2019001	Primary Health Care System Strengthening Project	USD	193,917,255	56,736,950,298									7,310,177	2,186,338,247			3,296,537,120	186,607,078	57,847,149,171
572	2019022	Framework Development & Infrastructure Financing to Support Public Partnership Project	USD	382,103	111,797,032													6,652,838	382,103	118,449,870
573	2020010	Covid 19 Emergency Response and Health System Preparedness Project	USD	28,781,346	8,420,941,334									1,151,254	347,573,844			491,806,496	27,630,092	8,565,173,986
574	2021012	Second Additional Financing for the Covid 19 Emergency Response & Health System Preparedness Project	USD	50,984,056	14,917,083,346													887,688,497	50,984,056	15,804,771,843
575	2021025	Climate Resilience Multiphase Programmatic Approach	USD	11,010,722	3,221,553,463	11,500,000	3,460,614,700											296,029,687	22,510,722	6,978,197,850
576	2021030	Additional Financing for Water Supply & Sanitation Improvement Project	USD	38,272,430	11,197,873,751	1,725,228	509,805,207											691,370,862	39,997,657	12,399,049,820
577	2021031	Third Addi. Financing for the COVID 19 Emergency Response & Health Systems Preparedness	USD	86,753,984	25,382,767,038													1,510,482,297	86,753,984	26,893,249,335
578	2021032	Inclusive Connectivity & Development Project	USD	392,343,418	114,793,131,884	19,200,000	5,774,849,280											7,008,173,679	411,543,418	127,576,154,843
	IDA of World Bank																			
579	1975001	Private Sector Industrial Project	USD	62,296	18,226,684									62,296	18,625,051			398,367	-	-
580	1975002	Agricultural Development Project	USD	619,850	181,357,858									619,850	185,518,022			4,160,164	-	-
581	1977001	Tank Irrigation Modernization Project	USD	190,104	55,621,260									126,724	37,859,980			1,886,165	63,380	19,647,445
582	1977002	Mahaweliganga Development Project (Phase 2)	USD	678,734	198,586,216									339,340	102,487,331			9,111,354	339,394	105,210,239
583	1977003	Water Supply Project	USD	690,000	201,882,478									276,000	82,358,566			8,813,770	414,000	128,337,682
584	1977005	4th Development Finance Corporation Project	USD	565,752	165,529,570									226,300	67,782,564			7,481,213	339,452	105,228,219
585	1978001	Tree Crop Rehabilitation (Tea) Project	USD	1,697,459	496,648,183									484,976	145,150,504			24,365,281	1,212,483	375,862,960
586	1979001	Kurunegala Rural Development Project	USD	2,312,764	676,676,105									513,938	153,709,322			34,659,190	1,798,826	557,625,973
587	1979002	Road Maintenance Project	USD	2,018,893	590,694,476									448,630	134,044,587			30,122,848	1,570,263	486,772,737
588	1979003	Agricultural Extension & Research Project	USD	1,074,559	314,398,072									238,786	71,339,550			16,026,428	835,773	259,084,950
589	1979004	Small & Medium Industries Project	USD	2,035,635	595,592,883									452,350	135,385,731			30,602,332	1,583,285	490,809,484
590	1979074	Water Supply Project	DKK	137,207	5,603,239									30,780	2,159,470			1,742,634	106,427	5,186,403
591	1979077	Water Supply Project	GBP	135,325	49,716,026									30,303	12,383,566			6,494,777	105,022	43,827,237
592	1980001	Mahaweli Ganga T.A. Project	USD	306,589	89,702,833									55,732	16,512,185			4,573,617	250,857	77,764,265
593	1980003	Road Passenger Transport Project	USD	8,519,723	2,492,728,650									1,549,036	458,945,830			127,091,093	6,970,687	2,160,873,913
594	1980004	Small Holder Rubber Rehabilitation Project	USD	1,838,166	537,816,646									334,198	99,015,632			27,420,623	1,503,968	466,221,637
595	1980005	Telecommunications Project	USD	4,950,000	1,448,287,335									900,000	266,650,515			73,840,500	4,050,000	1,255,477,320
596	1980006	Second Water Supply & Sewerage Project	USD	4,950,000	1,448,287,335									900,000	266,650,515			73,840,500	4,050,000	1,255,477,320
597	1980007	Sixth Power Project	USD	3,126,072	914,636,378									568,366	168,394,541			46,632,611	2,557,706	792,874,448
598	1980110	Mahaweliganga T.A. Project	DKK	41,916	1,711,759									8,460	424,060			342,678	33,456	1,630,377
599	1980120	Mahaweliganga T.A. Project	GBP	41,418	15,216,152									8,326	3,515,846			2,109,370	33,092	13,809,676
600	1981001	2nd Rural Development Project	XDR	4,111,968	1,568,990,057									685,318	272,649,066			158,399,744	3,426,650	1,454,740,735
601	1981002	Construction Industry Project	XDR	1,972,151	752,507,058									303,400	121,764,411			77,704,358	1,668,751	708,447,005
602	1981003	Village Irrigation Rehabilitation Project	XDR	3,428,169	1,308,075,046									527,384	215,425,024			138,841,343	2,900,785	1,231,491,365
603	1981004	Third Mahaweliganga Development Project	XDR	11,503,649	4,389,409,402									1,769,788	722,920,330			465,898,013	9,733,861	4,132,387,085

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				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
604	1982001	Second Small & Medium Industries Project	XDR	5,567,930	2,124,536,806									795,414	317,934,406			219,508,802	4,772,516	2,026,111,202
605	1982002	Seventh Power Project	XDR	6,309,740	2,407,586,528									901,388	369,621,259			258,081,729	5,408,352	2,296,046,998
606	1982003	Tea Rehabilitation & Diversification Project	XDR	2,792,373	1,065,476,488									372,314	149,421,869			111,350,696	2,420,059	1,027,405,315
607	1983001	Forest Resources Development Project	XDR	1,096,612	418,430,595									137,068	56,591,120			45,522,714	959,544	407,362,189
608	1983002	Third Rural Development Project	XDR	613,607	234,131,983									72,186	29,082,394			24,803,821	541,421	229,853,410
609	1983003	Industrial Development Project	XDR	5,890,500	2,247,618,646									693,000	286,118,174			245,032,144	5,197,500	2,206,532,616
610	1985005	Major Irrigation Rehabilitation Project	XDR	3,325,982	1,269,084,025									332,596	136,383,613			138,103,626	2,993,386	1,270,804,038
611	1985006	Forth Tree Crops Project	XDR	17,797,500	6,790,933,343									1,695,000	680,259,320			725,437,850	16,102,500	6,836,111,873
612	1986007	Second Industrial Development Project	XDR	5,892,842	2,248,512,226									512,420	207,232,461			242,910,008	5,380,422	2,284,189,773
613	1986008	Municipal Management Project	XDR	3,032,822	1,157,223,929									263,720	107,723,947			126,087,131	2,769,102	1,175,587,113
614	1986012	Water Supply & Sanitation Rehab. Project	XDR	11,074,500	4,225,660,420									963,000	389,455,641			456,504,131	10,111,500	4,292,708,910
615	1986013	2nd Vocational Training Project	XDR	3,450,057	1,316,426,865									299,998	120,399,075			141,289,753	3,150,059	1,337,317,543
616	1986014	9th Power Project	XDR	12,172,163	4,644,492,053									1,014,344	403,654,851			496,073,134	11,157,819	4,736,910,336
617	1987005	Agricultural Research Project	XDR	4,404,750	1,680,705,916									367,056	150,514,208			183,959,995	4,037,694	1,714,151,703
618	1988001	Third Small & Medium Industries Project	XDR	1,805,877	689,062,584									601,950	243,765,489			65,814,821	1,203,927	511,111,916
619	1988007	Emergency Reconstruction & Rehabilitation Project	XDR	3,990,579	1,522,671,922									1,330,158	541,130,323			147,906,345	2,660,421	1,129,447,944
620	1988014	Health & Family Planning Project	XDR	1,125,321	429,385,009									321,496	130,547,067			42,415,741	803,825	341,253,683
621	1988045	Distribution & Transmission Project	XDR	1,918,985	732,220,806									548,276	222,633,823			72,330,134	1,370,709	581,917,117
622	1988085	2nd Smallholder Rubber Rehabilitation Programme	XDR	1,301,043	496,634,725									371,710	150,937,096			49,038,918	929,333	394,536,547
623	1988086	3rd Industrial Development Project	XDR	4,185,415	1,597,015,031									1,195,824	476,547,333			148,725,239	2,989,591	1,269,192,937
624	1989069	Forest Sector Development Project	XDR	1,429,462	545,435,116									317,640	127,971,242			54,546,056	1,111,822	472,009,930
625	1990003	General Education Project	XDR	7,700,000	2,938,063,590									1,540,000	631,489,144			308,575,322	6,160,000	2,615,149,768
626	1990009	Economic Restructuring Credit	XDR	17,567,350	6,703,115,849									3,193,678	1,276,542,935	(2,064)		674,710,743	14,371,608	6,101,283,657
627	1990047	Public Manufacturing Ent.Adj. Credit	XDR	22,621,927	8,631,774,057									3,770,316	1,506,823,547			878,261,551	18,851,611	8,003,212,061
628	1990048	Third Roads Project	XDR	6,500,789	2,480,484,556									1,083,458	436,505,057			255,879,521	5,417,331	2,299,859,020
629	1991009	Poverty Alleviation Project	XDR	6,841,775	2,610,593,376									1,052,568	419,249,719			266,390,504	5,789,207	2,457,734,161
630	1991022	Second Telecommunications Project	XDR	8,974,071	3,424,206,528									1,380,620	549,916,532			349,413,046	7,593,451	3,223,703,042
631	1991023	Forth Small & Medium Industries Project	XDR	8,515,917	3,249,390,295									1,310,140	521,843,553			331,574,311	7,205,777	3,059,121,053
632	1991030	2nd Power Distribution & Transmission Project	XDR	8,279,127	3,159,039,260									1,273,708	522,294,014			337,316,523	7,005,419	2,974,061,769
633	1991043	National Irrigation Rehabilitation Project	XDR	4,561,683	1,740,586,436									701,780	279,526,897			177,613,378	3,859,903	1,638,672,917
634	1992023	Second Agriculture Extension Project	XDR	1,695,502	646,947,114									226,058	91,422,183			68,308,870	1,469,444	623,833,801
635	1992041	Community Water supply & Sanitation Project	XDR	5,328,576	2,033,207,225									666,068	267,315,023			213,516,428	4,662,508	1,979,408,630
636	1993013	Private Finance Development Project	XDR	13,397,899	5,112,191,982									1,576,218	629,942,530			536,494,940	11,821,681	5,018,744,392
637	1993017	Colombo Urban Transport Project	XDR	3,410,399	1,301,294,659									401,220	163,889,741			140,103,773	3,009,179	1,277,508,691
638	1995023	Colombo Environmental Improvement Project	XDR	7,431,609	2,835,654,461									707,764	292,213,774			311,082,247	6,723,845	2,854,522,934
639	1996011	Telecomm. Regula. & Pub. Enterprise Ref.	XDR	3,475,532	1,326,147,248									302,218	120,799,352			141,842,223	3,173,314	1,347,190,119
640	1996033	Teacher Education & Teacher Deployment Project	XDR	19,991,431	7,628,064,190									1,738,384	710,092,470			831,127,387	18,253,047	7,749,099,107
641	1996035	Private Sector Infrastructure Development Project	XDR	18,168,442	6,932,472,324									1,579,858	645,338,012			755,338,201	16,588,584	7,042,472,513
642	1997002	Health Services Project	XDR	4,801,334	1,832,029,200									400,106	161,810,529			198,266,814	4,401,228	1,868,485,485
643	1997022	Environmental Action 1 Project	XDR	5,208,671	1,987,455,359									416,692	165,973,127			212,891,543	4,791,979	2,034,373,775
644	1997023	Energy Services Delivery Project	XDR	8,444,715	3,222,222,367									675,574	269,088,753			345,156,721	7,769,141	3,298,290,335
645	1997064	Second General Education Project	XDR	25,900,087	9,882,610,867									1,992,310	805,728,312			1,072,860,698	23,907,777	10,149,743,253
646	1998017	Mahaweli Restructuring & Rehabilitation Project	XDR	22,489,439	8,581,221,180									1,665,882	668,573,304			927,728,963	20,823,557	8,840,376,839
647	1999001	Year 2000 Emergency Assistance Project	XDR	6,326,923	2,414,143,169									436,334	173,414,893			260,046,517	5,890,589	2,500,774,793
648	1999058	North-East Irrigated Agriculture Project	XDR	11,191,923	4,270,464,953									746,126	305,954,851			470,120,161	10,445,797	4,434,630,263
649	2000036	Legal & Judicial Reforms Project	XDR	7,320,239	2,793,159,641									472,274	193,659,484			307,716,272	6,847,965	2,907,216,429
650	2001020	Distance Learning Project	XDR	679,336	259,211,978									42,456	17,528,761			28,696,073	636,880	270,379,290
651	2001021	Land Titling & Related Services Project	XDR	2,057,146	784,938,385									128,570	53,082,558			86,896,605	1,928,576	818,752,432
652	2001022	Sri Lanka Central Bank Strengthening Project	XDR	15,600,345	5,952,572,153									945,474	376,592,968			645,560,172	14,654,871	6,221,539,357
653	2001024	Mahaweli Ganga T.A	EUR	102,264	31,145,936									20,357	7,047,188			5,712,415	81,907	29,811,163
654	2001025	Water Supply	EUR	484,761	147,641,046									104,467	37,494,244			28,266,682	380,294	138,413,484
655	2002022	Renewable Energy for Rural Economic Development Project	XDR	41,504,516	15,836,740,847									2,371,687	979,195,718			1,755,800,215	39,132,829	16,613,345,344
656	2003020	Economic Reform Technical Assistance Project	XDR	7,812,632	2,981,040,245									434,035	172,722,794			324,171,983	7,378,597	3,132,489,434
657	2003021	Poverty Reduction Support Credit	XDR	67,118,000	25,609,993,771									3,628,000	1,443,374,909			2,787,254,315	63,490,000	26,953,873,177
658	2003022	Improving Relevance & Quality of Undergraduate Education	XDR	21,244,246	8,106,097,053									1,148,338	456,858,262			882,224,113	20,095,908	8,531,462,904
659	2004020	Second North East Irrigated Agriculture Project (Yali Pubudamu SL)	XDR	32,611,073	12,443,299,373									1,672,363	665,511,221			1,356,848,234	30,938,710	13,134,636,386
660	2004021	E - Sri Lanka Development Project	XDR	23,841,383	9,097,077,967									1,192,069	474,256,463			992,657,093	22,649,314	9,615,478,597
661	2005020	North East Housing Reconstruction Project	XDR	40,880,000	15,598,446,695									2,044,000	812,359,443			1,701,243,330	38,836,000	16,487,330,582
662	2005021	Tsunami Emergency Recovery Project II	XDR	24,312,674	9,276,907,526									900,468	360,338,785			1,022,786,991	23,412,206	9,939,355,732
663	2006020	Road Sector Assistance Project	XDR	56,355,097	21,503,228,341									1,374,515	547,484,664			2,385,564,290	54,980,582	23,341,307,967
664	2007021	Puttalam Housing Project	XDR	3,141,504	1,198,693,391									1,570,753	629,513,725			97,662,727	1,570,751	666,842,393
665	2008020	Renewable Energy for Rural Economic Development Project	XDR	5,259,991	2,007,037,316									2,625,041	1,083,838,585			195,435,610	2,634,950	1,118,634,341
666	2008031	Dam Safety & Water Resources Planning	XDR	14,385,000	5,488,836,980									4,110,000	1,637,874,589			511,158,367	10,275,000	4,362,120,758

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
667	2008033	Public Sector Capacity Building Project	XDR	3,166,384	1,208,186,595									904,681	360,524,026			112,514,637	2,261,703	960,177,206
668	2008034	Additional Financing for North East Housing Reconstructions Project	XDR	9,168,207	3,498,282,145									2,619,487	1,041,078,949			322,972,631	6,548,720	2,780,175,827
669	2008035	Additional Financing for Education Sector Development Project	XDR	2,040,454	778,569,121									582,988	232,993,565			73,172,993	1,457,466	618,748,549
670	2008036	Additional Financing for Road Sector Assistance Project	XDR	20,856,390	7,958,104,008									5,958,969	2,374,706,396			741,113,539	14,897,421	6,324,511,151
671	2009014	Additional Financing for Health Sector Development Project	XDR	6,937,899	2,647,271,135									1,541,755	616,253,998			259,847,038	5,396,144	2,290,864,175
672	2009020	Second Community Development Livelihood Improvement Project	XDR	21,696,246	8,278,564,956									4,821,388	1,920,413,263			805,854,932	16,874,858	7,164,006,625
673	2010001	Provincial Roads Project	XDR	31,473,582	12,009,270,428									6,294,716	2,507,256,519			1,187,353,358	25,178,866	10,689,367,267
674	2010002	Emergency Additional Financing for Community Livelihoods in Conflict Affected Areas	XDR	3,798,707	1,449,459,911									759,742	302,336,663			143,030,788	3,038,965	1,290,154,036
675	2010003	Emergency Northern Recovery Project	XDR	20,447,703	7,802,162,689									4,089,541	1,628,910,217			771,397,740	16,358,162	6,944,650,212
676	2010024	Higher Education for the Twenty First Century Project	XDR	12,362,577	4,717,147,669									2,472,515	1,009,969,351			491,521,695	9,890,062	4,198,700,013
677	2010042	Sustainable Tourism Development Project	XDR	54,227	20,691,267									10,846	4,430,253			2,155,895	43,381	18,416,909
678	2010043	North East Local Services Improvement Project-Pura Neguma	XDR	18,123,618	6,915,369,802									3,295,204	1,312,516,792			692,362,182	14,828,414	6,295,215,192
679	2010044	Small & Medium Enterprise Development Facility Project	XDR	18,621,446	7,105,323,609									3,385,717	1,348,569,469			711,380,833	15,235,729	6,468,134,973
680	2011010	Second Additional Financing for Road Sector Assistance Project	XDR	31,108,913	11,870,125,126									5,184,819	2,117,886,941			1,253,506,624	25,924,094	11,005,744,809
681	2011037	2nd & 3rd Additional Financing for Community Livelihood in Conflict Affected Areas	XDR	19,692,526	7,514,012,749									3,029,620	1,237,534,451			797,547,641	16,662,906	7,074,025,939
682	2012004	Additional Financing for E-Sri Lanka Development Project	XDR	5,222,808	1,992,849,453									234,175	95,655,369			220,666,607	4,988,633	2,117,860,691
683	2012012	Transforming the School Education System as the Foundation of a Knowledge Hub Project	XDR	46,680,235	17,811,623,525									2,093,000	854,945,361			1,972,266,659	44,587,235	18,928,944,823
684	2013030	Second Health Sector Development Project	XDR	99,329,021	37,900,646,943									4,262,494	1,723,834,088			4,182,474,147	95,066,527	40,359,287,002
685	2014010	Climate Resilience Improvement Management- CRIP	XDR	56,946,582	21,728,919,675									2,343,189	957,142,137			2,409,400,015	54,603,393	23,181,177,553
686	2014019	Strategic Cities Development Project	XDR	37,858,957	14,445,716,398									1,526,384	606,640,254			1,585,455,237	36,332,573	15,424,531,381
687	2014020	Additional Financing for Dam Safety & Water Resources Planning Project	XDR	42,581,731	16,247,771,002									1,716,796	682,316,577			1,783,235,404	40,864,935	17,348,689,829
688	2014022	Skills Development Project- (Portion A)	XDR	27,853,634	10,628,019,243									1,122,993	448,809,215			1,168,944,092	26,730,641	11,348,154,120
689	2015028	Water Supply and Sanitation Improvement Project	XDR	99,963,672	38,142,808,586									3,874,106	1,599,497,997			4,250,294,510	96,089,566	40,793,605,099
690	2015030	Early Childhood Development Project	XDR	23,061,145	8,799,365,098									893,738	368,996,599			980,522,790	22,167,407	9,410,891,289
691	2015031	Additional Financing for North East Local Services Improvement Project (NELSIP)	XDR	12,110,011	4,620,777,336									469,325	193,769,788			514,898,227	11,640,686	4,941,905,775
692	2016027	Additional Financing for Strategic Cities Development Project	XDR	12,437,232	4,745,634,072									464,023	189,543,580			526,983,716	11,973,209	5,083,074,208
693	2016028	Additional Financing for Climate Resilience Improvement Project	XDR	24,693,248	9,422,120,995									921,286	366,958,481			1,036,922,019	23,771,962	10,092,084,533
694	2016029	Ecosystem Conservation and Management Project	XDR	21,975,374	8,385,070,854									819,884	330,315,970			926,539,661	21,155,490	8,981,294,545
695	2016030	Competitiveness Transparency and Fiscal Sustainability Development Policy Financing	USD	97,500,000	28,526,871,750									5,000,000	1,493,796,750			1,641,407,000	92,500,000	28,674,482,000
696	2016043	Social Safety Nets Project	XDR	45,475,918	17,352,095,790									2,675,054	1,068,968,726			1,887,435,995	42,800,864	18,170,563,059
697	2017001	Agriculture Sector Modernization Project	XDR	71,156,462	27,150,936,534	32,525	11,262,564							2,677,621	1,105,506,710			3,028,937,887	68,511,366	29,085,630,275
698	2017017	Accelerating Higher Education Expansion and Development Operation (AHEAD) Programme	XDR	21,984,400	8,388,514,959									805,200	328,906,883			931,752,308	21,179,200	8,991,360,384
699	2017023	Transport Connectivity and Asset Management Project	XDR	42,810,682	16,335,131,042									1,597,233	645,951,575			1,807,467,339	41,213,449	17,496,646,806
700	2018033	General Education Modernization Project	USD	85,626,231	25,052,805,171	5,250,000	1,585,356,675							5,518,843	1,666,629,271			1,488,779,896	85,357,388	26,460,312,471
701	2019021	Climate Smart Irrigated Agriculture Project	USD	79,949,340	23,391,841,628	24,000,000	7,309,974,400											1,521,897,235	103,949,340	32,223,713,263
702	2019027	Local Development Support Project	USD	45,656,243	13,358,254,117	4,139,764	1,225,251,005											852,977,963	49,796,006	15,436,483,085
703	2020009	Covid 19 Emergency Response & Health Systems Preparednese Project	USD	87,963,186	25,736,559,317									3,518,527	1,062,274,931			1,503,086,955	84,444,659	26,177,371,341
704	2020015	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness (Non Concessional Loan)	XDR	33,049,470	12,610,576,876									545,316	225,292,795			1,413,941,229	32,504,154	13,799,225,310
705	2020016	Add Financing for the COVID 19 Emergency Response & Health Systems Preparedness (Non Concessional Loan)	USD	38,531,893	11,273,788,319									770,638	232,745,966			664,735,182	37,761,255	11,705,777,535
706	2021007	Sri Lanka Integrated Watershed & Water Resources Management Project - Concessional Loan	XDR	18,532,665	7,071,447,948	6,142,708	2,489,137,170							517,770	216,502,794			911,721,163	24,157,603	10,255,803,487
707	2021008	Sri Lanka Integrated Watershed & Water Resources Management Project - Non Concessional Loan	USD	392,385	114,805,424									7,848	2,389,780			6,788,806	384,537	119,204,450
708	2021013	Second Additional financing for the Covid 19 Emergency Response & Health System Preparedness Project	XDR	18,712,080	7,139,906,615													804,069,305	18,712,080	7,943,975,920

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
709	2021016	Kandy Multimodal Transport Terminal Development Project - Non Concessional	USD	5,000,000	1,462,916,500									500,000	150,508,500			82,566,800	4,500,000	1,394,974,800
710	2023007	Resilience, Stability and Economic Turnaround (RESET) Development Policy Financing	XDR	371,200,000	141,637,559,040													15,950,686,720	371,200,000	157,588,245,760
711	2021015	Kandy Multimodal Transport Terminal Development Project -Concessional	XDR	5,363,312	2,046,461,193	9,952,554	4,135,108,790							777,766	319,291,465			309,686,998	14,538,100	6,171,965,516
712	2023015	Social Protection Project	XDR	50,971,012	19,448,840,925	56,607,210	23,067,565,431											3,154,560,452	107,578,222	45,670,966,808
713	2024008	Second Resilience, Stability & Economic Turnaround Development Policy Financing	XDR	150,600,000	57,463,945,020													6,471,372,360	150,600,000	63,935,317,380
714	2024001	Financial Sector Safety Net Strengthening Project	XDR	75,939,413	28,975,951,217	22,044,861	9,140,117,213											3,481,910,620	97,984,274	41,597,979,050
715	2024007	Primary Healthcare System Enhancing Project (Credit B- SML)	XDR			4,483,839	1,819,299,774											84,257,333	4,483,839	1,903,557,107
716	2025004	Integrated Urban Development & Climate Resilience Project	USD	-	-	1,000,000	307,895,500					-	-	-	-			2,098,900	1,000,000	309,994,400
	International Fund for Agricultural Development (IFA																			
717	1978004	Kirindioya Irrigation & Settlement Project	USD	900,000	263,324,970									300,000	91,452,525			14,124,195	600,000	185,996,640
718	1981006	Anuradhapura Dry Zone Agricultural Project	XDR	563,294	214,934,233									93,876	38,211,759			22,562,960	469,418	199,285,434
719	1982004	Coconut Development Project	XDR	537,131	204,951,288									76,726	31,230,936			21,738,736	460,405	195,459,088
720	1982009	Kirindioya Irrigation & Settlement Project	XDR	703,717	268,514,953									87,964	35,325,965			28,221,117	615,753	261,410,105
721	1983004	Badulla, Rural Development Project	XDR	2,086,217	796,030,952									260,780	104,728,125			83,663,286	1,825,437	774,966,113
722	1986026	Kegalle Rural Development Project	XDR	1,700,941	649,022,369									154,630	62,098,740			69,543,040	1,546,311	656,466,669
723	1988088	Small Farmers & Landless Credit Project	XDR	1,407,918	537,214,593									104,292	41,883,216			58,106,440	1,303,626	553,437,817
724	1991033	2nd Badulla Integrated Rural Development	XDR	3,678,927	1,403,755,920									222,964	89,134,733			152,563,886	3,455,963	1,467,185,073
725	1992051	N-W Province Dry Zone Participatory Development t Project	XDR	2,047,796	781,370,783									113,764	45,479,644			85,177,607	1,934,032	821,068,746
726	1995040	North/Cen. Provin. Partici. Rural Development Project	XDR	1,979,648	755,367,755									179,968	71,946,144			80,609,678	1,799,680	764,031,289
727	1999007	Matale Regional Economic Advancement Project	XDR	3,638,769	1,388,433,095									259,912	103,905,503			149,923,253	3,378,857	1,434,450,845
728	2004022	Dry Zone Livelihood Support & Partnership Programme	XDR	9,987,746	3,810,991,435									499,390	200,736,033			417,905,807	9,488,356	4,028,161,209
729	2005022	Post Tsunami Coastal Rehabilitation & Resource Mgt. Programme	XDR	6,422,325	2,450,545,187									313,300	128,236,847			271,200,451	6,109,025	2,593,508,791
730	2005023	Post Tsunami Livelihood Support & Partnership Programme	XDR	1,066,000	406,750,102									52,000	21,284,124			45,014,844	1,014,000	430,480,822
731	2007011	Smallholder Plantatations Entrepreneurship Dev. Programme	XDR	10,144,509	3,870,807,059									462,104	185,748,460			425,483,740	9,682,405	4,110,542,339
732	2008025	Post Tsunami Coastal Rehabilitation & Resource Mgt Programme II	XDR	7,680,597	2,930,660,040									357,240	146,221,934			324,600,089	7,323,357	3,109,038,195
733	2008026	Post Tsunami Livelihood Support & Partnership Programme II	XDR	1,148,122	438,085,100									53,402	21,857,979			48,522,339	1,094,720	464,749,460
734	2010009	National Agribusiness Development Programme	XDR	11,510,405	4,391,987,213									460,416	188,452,911			487,598,150	11,049,989	4,691,132,452
735	2012008	Iranamadu Irrigation Development Project	XDR	12,912,811	4,927,098,449									478,334	196,550,067			548,350,652	12,434,477	5,278,899,034
736	2016016	Sri Lanka Smllholder Tea and Rubber Revitalization Project (STARR)	XDR	14,759,434	5,631,708,631									922,482	379,052,759			621,646,532	13,836,952	5,874,302,404
737	2017014	Implementation of Smallholder Agribusiness Partnership (SAP) Programme Loan No 2000001843	USD	40,394,232	11,818,677,556									2,762,580	839,098,118			686,021,923	37,631,652	11,665,601,361
738	2021011	Smallholder Agribusiness Resilience Project (SARP)	USD	5,000,000	1,462,916,500	3,500,000	1,071,015,950											101,019,979	8,500,000	2,634,952,429
	International Monetary Fund (IMF)																			
739	2023008	Sri Lanka's 2023-2026 Extended Fund Facility Arrangement from the International Monetary Fund	XDR	762,000,000	290,753,825,400	508,000,000	203,270,836,303											45,137,708,521	1,270,000,000	539,162,370,224
740		Rapid Financing Instrument Arrangement under Sri Lanka's 2023- 26 IMF EFF Programme SDR 150.5 Mn	XDR	-	-	150,500,000	63,631,601,775					-	-	-	-			261,261,875	150,500,000	63,892,863,650
	KBC Bank																			
741	2014007	Implementation of Monaragala- Buttala Water Supply Project	EUR	5,088,775	1,549,860,814													302,272,235	5,088,775	1,852,133,049
	Nordea Bank Finland																			
742	1996008	2 nd Power Dist & Transm. Project (Anuradapura)	EUR	2,393,214	728,888,399									217,565	71,426,626			134,397,137	2,175,649	791,858,910
743	1999055	The Skills Development Project	EUR	4,280,332	1,303,637,536									305,738	100,373,932			243,347,041	3,974,594	1,446,610,645
744	1999056	Southern Transport Development Project	EUR	2,492,184	759,030,867									178,013	58,441,744			141,686,526	2,314,171	842,275,649
745	2000052	Secondary Education Modernization Project	EUR	3,379,401	1,029,245,862									218,026	71,577,999			192,960,081	3,161,375	1,150,627,944
746	2019038	Strengthening of Health Delivery Service in the Northern Province under Financial Assistance of the Netherland	EUR	39,475,928	12,022,970,359													2,344,862,255	39,475,928	14,367,832,614
	OPEC Fund for International Development (OFID)																			
747	2010037	National Highway Sector Project	USD	2,933,460	858,281,406									533,320	160,339,671			46,088,223	2,400,140	744,029,958
748	2010038	Kalu Ganga Development Project	USD	12,510,907	3,660,482,428									328,418	98,737,069			214,757,942	12,182,489	3,776,503,301
749	2012024	Road Network Development Project	USD	17,249,163	5,046,816,884									2,666,660	801,716,396			275,393,622	14,582,503	4,520,494,110
750	2013023	Colombo National Highways Project	USD	18,661,493	5,460,041,137	3,450,990	1,028,370,792							3,333,320	1,013,090,448			346,113,959	18,779,163	5,821,435,441

	Loan Key	Project	Loan Currency	Loan Balance as at		Borrowings accounted during the		Converted Amount		Restructuring Amount Capitalized Amount		Restructured Amount		Repayments during the year		Adjustment		Parity Adjustment	Closing Balance as at 31.12.2025	
				Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
751	2015014	Western Province Road Development Project	USD	9,770,927	2,858,809,923	426,895	127,585,232							1,133,320	338,183,368			161,732,871	9,064,501	2,809,944,658
752	2015015	Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	USD	31,213,742	9,132,619,523	1,201,420	363,202,785							4,000,000	1,193,602,400			506,320,980	28,415,161	8,808,540,888
753	2019045	Rehabilitation of the A 17 Road Corridor from Rakwana to Suriyakanda Project	USD	12,966,864	3,793,887,845	9,212,067	2,757,646,249							964,198	291,324,624			316,238,933	21,214,733	6,576,448,403
754	2017030	Kalu Ganga Development Project (Additional Loan)	USD	13,954,852	4,082,956,658									1,116,400	335,639,408			232,530,984	12,838,452	3,979,848,234
755	2018023	Technological Education Development Programme	USD	10,243,527	2,997,084,925									3,333,320	994,664,688			139,705,227	6,910,207	2,142,125,464
756	2024010	Second Resilience, Stability and Economic Turnaround Development Policy Operation	USD	-	-	50,000,000	15,073,320,000	-	-			-	-	-	-			426,400,003	50,000,000	15,499,720,003
	Raiffeisen Zentral Bank																			
757	2008038	Up-grading of Technical Education (SLIATE) (Austria)	EUR	5,500,000	1,675,105,309													326,698,902	5,500,000	2,001,804,211
758	2012009	Development of Nuwara Eliya District General Hospital (Netherland)	EUR	12,503,325	3,808,070,292													742,695,114	12,503,325	4,550,765,406
759	2016001	Implementation of the Kochchikade Bridge	EUR	8,694,412	2,648,010,046													516,446,321	8,694,412	3,164,456,367
760	2017025	Enhancement and Upgrading of Technical Training Institute of Engineering Technology at Katunayaka	EUR	9,500,000	2,893,363,699													564,298,100	9,500,000	3,457,661,799
761	2017029	Obtaining 100 Ambulance Cars for Government Hospitals	EUR	9,851,393	3,000,385,440													585,170,749	9,851,393	3,585,556,189
	Riggs National Bank Washington																			
762	1994046	Sri Lanka -USAID Housing Guarantee Loan	USD	1,500,000	438,874,950													26,116,650	1,500,000	464,991,600
763	1997067	Sri Lanka -USAID Housing Guarantee Loan	USD	4,125,000	1,206,906,113													71,820,788	4,125,000	1,278,726,901
764	1998049	US Housing Guarantee Loan for Pvt. Sector	USD	1,892,812	553,805,048													32,955,918	1,892,812	586,760,966
	Saudi Fund (SF)																			
765	2004043	Baticoloa - Trincomalee Road Project	SAR	5,212,630	406,105,102							(5,212,630)	(406,105,102)	-	-				-	-
766	2008001	Epilepsy Hospital & Health Centers Project	SAR	40,077,627	3,122,363,780	-	-					(40,077,627)	(3,122,363,780)	-	-				-	-
767	2008002	Development of Health Facilities in Colombo Project (Additional Loan)	SAR	5,836,315	454,695,074	-	-					(5,836,315)	(454,695,074)	-	-				-	-
768	2010028	Kalu Ganga Development Project	SAR	97,678,315	7,609,912,362	-	-					(97,678,315)	(7,609,912,362)	-	-				-	-
769	2012025	Road Network Development Project (Saudi Fund)	SAR	152,202,134	11,857,748,616	1,432,390	113,416,598					(149,238,555)	(11,626,862,408)	-	-	112,034		28,322,390	4,508,003	372,625,196
770	2015026	Improvement of Peradeniya - Badulla - Chenkaladi Road Project	SAR	121,451,182	9,462,006,528	27,162,164	2,136,706,069					(111,301,976)	(8,671,303,180)	-	-			156,696,160	37,311,370	3,084,105,576
771	2015027	Epilepsy Hospital & Health Centers Project (Additional Finance)	SAR	34,152,119	2,660,719,844							(34,152,119)	(2,660,719,844)						-	-
772	2017032	Wayaba University Township Development Project	SAR	62,135,663	4,840,859,047	16,439,004	1,278,771,320					(15,802,583)	(1,231,146,049)					300,168,324	62,772,085	5,188,652,642
773	2018024	Kalu Ganga Development Project (Additional Finance)	SAR	60,000,000	4,674,473,999							(47,300,036)	(3,685,046,475)					60,333,719	12,699,964	1,049,761,243
774	2019043	Constriction of Faculty of Medicine Project at the Sabaragamuwa University	SAR	49,559,086	3,861,044,301	52,237,107	4,165,113,896					(1,177,695)	(91,751,744)					382,577,690	100,618,498	8,316,984,142
775	2025318	Debt Restructured Agreement SFD	SAR					507,777,851	39,559,906,018	9,173,215	885,932,617	516,951,066	40,445,838,635					2,284,612,668	516,951,066	42,730,451,303
	Uni Credit Bank Austria																			
776	2013004	Augmentation of Mahiyangana Water Supply Project	EUR	7,803,715	2,376,735,261													463,539,095	7,803,715	2,840,274,356
777	2013006	Supply of 2Nos Cardiac Catheterization System to Cardiology Dep. of the NHSL	EUR	1,905,600	580,378,303													113,192,259	1,905,600	693,570,562
778	2013045	Upgrading of Sewerage Infrastructure at Kataragama Sacred City Area	EUR	9,975,000	3,038,031,875													592,513,003	9,975,000	3,630,544,878
779	2018003	Implementation of Kirama Katuwana Integrated Water Supply Scheme	EUR	10,485,611	3,193,545,920													622,843,196	10,485,611	3,816,389,116
780	2018017	Supply and Installation of Laboratory and Medical Equipment for the Ministry of Highways in SL	EUR	4,928,000	1,500,894,349													292,722,214	4,928,000	1,793,616,563
781	2019008	Supply of Freighting Vehicles Equipment for the Colombo Municipal Council	EUR	10,317,000	3,142,192,978													612,827,737	10,317,000	3,755,020,715
	ERSTE BANK- AUSTRIA																			
782	2018016	Upgrading of Operation Theatres Icu Equipment under A Strian Soft Scheme	EUR	9,587,574	2,920,035,783													569,500,006	9,587,574	3,489,535,789
		Grand Total			**6,918,539,590,025**		**542,250,132,782**		**1,119,945,770,090**		**24,639,960,257**		**24,639,960,257**		**310,518,914,835**	**109,970**	-	**573,007,608,931**		7,747,918,377,159
		***Past Due Interest on the Restructured Debt was Capitalized**			**6,918,539,590,025**												-			7,485,429,683,064

26(iii) FOREIGN CURRENCY TERM FINANCING FACILITY- (9190)

Loan Key	Loan Currency	Balance as at 01-01-2025		Accounted During the Year		Repayments		Parity	Closing Balance as at 31.12.2025	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
2024357	USD	1,044,732,492	305,671,280,127	-	-	-	-	18,189,941,891	1,044,732,492	323,861,222,018
2024358	USD	561,645,359	164,328,052,566	-	-	-	-	9,778,863,510	561,645,359	174,106,916,076
2024359	USD	560,385,765	163,959,516,397	-	-	-	-	9,756,932,593	560,385,765	173,716,448,990
2024360	CNY	2,034,300,440	81,560,800,681	-	-	290,614,348	12,099,612,133	7,878,264,377	1,743,686,092	77,339,452,925
	Total		**715,519,649,770**	**-**	**-**		**12,099,612,133**	**45,604,002,371**		**749,024,040,008**

Notes to the Financial Statements
for the Year Ended 31st December 2025

26(iv) INTERNATIONAL SOVEREIGN BOND (9194)

Loan Key	Description	Loan Currency	Balance as at 01-01-2025		Accounted During the Year		Repayments		Parity	Closing Balance as at 31.12.2025	
			Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
2012018	International Sovereign Bond	USD	268,685,000	78,612,743,960	-	-	-	-	4,678,101,404	268,685,000	83,290,845,364
2024341	Sri Lanka Macro Linked Bond 2030	USD	1,086,993,557	318,036,161,985	-	-	-	-	18,925,753,520	1,086,993,557	336,961,915,505
2024342	Sri Lanka Macro Linked Bond 2033	USD	2,132,120,275	623,822,786,056	-	-	-	-	37,122,559,320	2,132,120,275	660,945,345,376
2024343	Sri Lanka Macro Linked Bond 2036	USD	999,165,345	292,339,093,885	-	-	-	-	17,396,567,738	999,165,345	309,735,661,623
2024344	Sri Lanka Macro Linked Bond 2038	USD	1,999,171,191	584,924,104,327	-	-	-	-	34,807,769,524	1,999,171,191	619,731,873,851
2024345	Sri Lanka Governance Linked Bond 2038	USD	1,439,672,065	421,224,003,695	-	-	-	-	25,066,274,291	1,439,672,065	446,290,277,986
2024346	Sri Lanka USD Step-Up Bond 2038	USD	1,126,487,250	329,591,357,013	-	-	-	-	19,613,382,158	1,126,487,250	349,204,739,171
2024347	Sri Lanka PDI Bond	USD	1,543,566,908	451,621,899,582	-	-	340,720,170	101,863,016,565	23,116,869,704	1,202,846,738	372,875,752,721
	Total		**10,595,861,591**	**3,100,172,150,503**	**-**	**-**	**340,720,170**	**101,863,016,565**	**180,727,277,659**	**10,255,141,421**	**3,179,036,411,597**

26(v) TERM LOAN - BANK OF CEYLON & PEOPLES' BANK (9218 & 9220)

Description	Loan Currency	Balance as at 01-01-2025		Accounted During the Year		Repayments		Parity	Closing Balance as at 31.12.2025	
		Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Loan Currency Amount	Rs.	Rs.	Loan Currency Amount	Rs.
Term Loan - People's Bank (9218)	USD	546,248,881	159,823,300,125	-	-	-	-	9,510,793,886	546,248,881	169,334,094,011
Term Loan - Bank of Ceylon (9220)	USD	1,581,712,532	462,782,672,220	-	-	-	-	27,539,355,063	1,581,712,532	490,322,027,283
Total		**2,127,961,413**	**622,605,972,345**	**-**	**-**	**-**	**-**	**37,050,148,949**	**2,127,961,413**	**659,656,121,294**

Notes to the Financial Statements
for the Year Ended 31st December 2025

Note - 29(I)- DEPOSIT ACCOUNTS BALANCES
AS AT 31ST DECEMBER 2025 (6000)

Rs.

Category	Opening Balances as at 01.01.2025	Debits	Credits	Closing Balance as at 31.12.2025
6000/1	11,592,903,312.31	1,567,105,514.14	2,408,839,111.91	12,434,636,910
6000/2	776,285,644.32	1,090,149,181.04	1,193,935,490.22	880,071,954
6000/3	(929,022.93)	-	-	(929,023)
6000/6	37,423,198,959.19	28,752,005,746.15	37,680,296,801.37	46,351,490,014
6000/7	1,000,000,000.00	-	-	1,000,000,000
6000/8	662,035,302.63	42,173,422.59	94,517,515.09	714,379,395
6000/10	3,581,053,336.77	5,759,941,329.38	5,224,819,343.72	3,045,931,351
6000/11	78,283,065.43	78,283,065.43	1,358,302,368.42	1,358,302,368
6000/13	14,020,784,076.09	58,469,633,133.37	58,196,527,340.74	13,747,678,283
6000/14	1,180,981,331.13	37,062,238,712.10	37,458,061,857.19	1,576,804,476
6000/16	12,230,931,587.57	4,689,634,312.63	5,335,072,928.44	12,876,370,203
6000/17	3,497,780,364.61	16,032,248,835.47	16,119,569,873.21	3,585,101,402
6000/18	18,575,871,331.03	54,516,510,622.61	59,645,497,812.13	23,704,858,521
6000/19	295,843,771.31	507,337,228.00	5,595,540,761.82	5,384,047,305
6000/20	328,923,856.37	1,246,960,032.66	1,385,029,079.11	466,992,903
Grand Total	**105,243,946,916**	**209,814,221,136**	**231,696,010,283**	**127,125,736,064**

***Note: Deposit Account No. 6000/0000/00/0010/00/1294/000**

The Chief Accountant of the Central Bank of Sri Lanka, by his letter dated 09.01.2026, has informed that a sum of USD 5,266,424.38 equivalent of disaster relief contribution received in foreign currency terms to the assigned Nostro Accounts of CBSL for disaster contribution purpose as at 31.12.2025 on behalf of the government of Sri Lanka has been transferred to the

Accordingly, the disaster relief contribution of Rs 1,631,108,006.04, the equivalent of USD 5,266,424.38, which was received in the DST Dollar Account No. 45013 on 09.01.2026, has been recorded under Deposit Account No. 6000/0000/00/0010/00/1294/000 on 09.01.2026.

Explanatory Notes

01. Note 14 – Statement of Non-Current Assets

As stated in the Statement of Financial Position as at 31st December 2025, 21 Special Spending Units, 25 Government Ministries, 98 Departments and 25 District Secretariatsz have reported non-financial assets at cost or revalued amount amounting to Rs. 5,078,666,604,213. Balance part of the non-financial assets of the above mentioned institutes if any, and other Ministries / Departments which have not yet been recorded the non-financial assets will also be bringing to the same system gradually, to be completed by 2026.

02. Note 26(II) – Foreign Loan Balances (8343)

Foreign loans are included in the loans outstanding as at 31.12.2025 which are recorded in the CS-DRMS up to the cutoff date of 29.01.2026.

03. Schedule V – Total Revenue and Expenditure of Provincial Councils

Total Revenue of Rs. 127,873,394,465 and Total Expenditure of Rs. 579,023,330,181 were reported in respect of 9 Provincial Councils (Provisional figures) during the financial year.

04. Adopt New Accounting Policies

01. Treasury Bond Face Value

Previously adopted accounting method on reporting Treasury Bonds was revised from the year 2016. From 2016 and onward Treasury Bonds are recorded on their face value, and required adjustments have been done accordingly. Adjustments were made in the year 2021 for accounting of accumulated discount value of the Treasury bonds issued prior to 2016.

02. Investment on Public Infrastructure Development

The amount of expenditure utilized for generation of assets out of the expenditure incurred during the year 2025 under the finance codes relating to foreign loans namely, Foreign Loans (12), Reimbursable Foreign Loans (14) and Counterpart Funds (16) are identified as the Government's investment in infrastructure development. Such amount is reported in the Financial Position under "Investment on Public Infrastructure Development".

Assets generated in relation to this investment are included in the balance sheets of the respective State-Owned Enterprises (SOEs) or Government agencies by whom such assets are being maintained.

05. Capital Contributions to State Owned Enterprises

Note No. 17

5.1 Shareholdings in Government Owned or Other Companies

5.1.0 During the fiscal year 2025 capital infusions were made into following Government Owned Companies through the Equity Vote of the Department of Public Enterprises despite the absence of share certificates.

Financial Year 2025 – Capital Infusion was made but not issued the corresponding share certificate

	Government Owned Companies	Expenditure Incurred Vote Code	Amount in Rs
01	Building Materials Corporation Ltd.	241-1-1-0-2301-51	88,303,648.00
02	Cey-nor Foundation Ltd.	241-1-1-0-2301-49	16,000,000.00
03	Lanka Metro Transit (Pvt) Ltd	117-2-25-006-2301	1,200,000,000.00
04	Lanka Sathosa Limited	241-1-1-0-2301-35	1,145,930,312.90
05	Lanka Sugar Company (Pvt) Limited	241-1-1-0-2301-50	600,000,000.00
06	Sri Lankan Airlines	241-1-1-0-2301-12	25,275,824,993.05
07	Sri Lanka Institute of Nano Technologies (Pvt) Ltd	241-1-1-0-2301-39	86,714,575.48
08	Sri Lanka Institute Bio Technologies (Pvt) Ltd	241-1-1-0-2301-40	490,000,000.00
09	Sinolanka Hotels & SPA (Pvt) Ltd.	241-1-1-0-2301-32	6,360,475,403.09

5.1.1 Investment in shares of the Canwill Holdings (Pvt) Ltd

In terms of Cabinet Decision No. 23/1899/604/187 dated 09 October 2023, issued pursuant to the Cabinet Memorandum titled "Mechanism to Transfer the Investment in Subsidiaries of Sri Lanka Insurance Corporation to the Secretary to the Treasury," the ownership of Canwill Holdings (Pvt) Ltd held by Sri Lanka Insurance Corporation (SLIC) was transferred to the Secretary to the Treasury in 2024. Accordingly, 1,085,294,117 shares, representing 52.05% of the Company's issued share capital, were issued to the Secretary to the Treasury at a designated value of Rs. 10,399,358,000. This amount remains receivable from the General Treasury in the books of SLIC.

Further, in terms of Cabinet Decision No. 25/1273/804/097-I dated 13 July 2025, based on the Cabinet Memorandum titled "Transfer of Shares Held by Litro Gas Lanka Ltd in Canwill Holdings (Pvt) Ltd to the Secretary to the Treasury," approval was granted to transfer the shareholding of Litro Gas Lanka Ltd in Canwill Holdings (Pvt) Ltd to the Secretary to the Treasury at a carrying value of Rs. 5,000,000,000. The corresponding amount remains receivable from the General Treasury as at 31 December 2025 in the books of Litro Gas Lanka Ltd.

Moreover, in terms of Cabinet Memorandum No. 25/2327/804/097-IV dated 21 November 2025, submitted by the Hon. Minister of Finance, Planning and Economic Development, and the corresponding Cabinet Decision dated 15 December 2025 regarding the acquisition of shares held by the Employees' Provident Fund (EPF) in Canwill Holdings (Pvt) Ltd, the Secretary to the Treasury acquired the entire EPF shareholding of 500,000,000 shares for a consideration of Rs. 5,000,000,000. This consideration was settled during 2025.

Accordingly, upon completion of the above transactions, the Secretary to the Treasury became the sole shareholder of Canwill Holdings (Pvt) Ltd, holding 100% of the issued share capital of the Company.

5.1.2 Providing Liquidity Support to the National Savings Bank (NSB) by paying interest

The Cabinet of Ministers, at its meeting held on 16 May 2023, under Cabinet Memorandum No. 23/0928/604/097, granted approval for the Secretary to the Treasury to pay an appropriate amount of interest subsidy to the NSB from the total interest subsidy calculated on the low yield held to maturity portfolio as of 31st March 2023, to ensure the solvency of the Bank.

Accordingly, the General Treasury granted approval to recognize a special interest subsidy of Rs. 13,673 million in the books of the NSB during the first three quarters of 2023 and instructed that it should be set off against the levy imposed once the Bank's performance improved. Out of this amount, a sum of Rs. 1,088 million was settled during the year 2025. Accordingly, the outstanding interest subsidy payable balance as at 31 December 2025 amounts to Rs. 12,584 million

5.1.3 Settlement of Interest accrued on outstanding balance to National Savings Bank (NSB) under the senior citizen special interest rates fixed deposit scheme

The Cabinet of Ministers as its meeting held on 19th of December 2022, under Cabinet Memorandum No.: 22/2130/604/098, has given approval for the Secretary to the Treasury to settle the interest accrued on outstanding balance to NSB under the senior citizen special interest rates fixed deposit scheme.

Accordingly, the General Treasury has given approval to record of interest accrued of Rs. 5,506.77 million in the book of NSB. The interest accrued for the senior citizen special interest rate fund deposit scheme is Rs. 5,506.77 million as at 31st December 2025.

5.1.4 The following table reflects the number of shares issued as scrip dividend and directly deposited by the respective PLCs to the CDS account maintained by the Secretary to the Treasury in CDS. However, these transactions were not promptly recorded in the main ledger accounts within the same financial year. Accordingly, the identified allotment of shares have been recorded as follows.

Description	Number of Shares	The Consideration for which the shares were issued Rs.	Value of the Investment Rs.
Commercial Bank of Ceylon PLC (Tradeable shares in CDS)			
Shares subscribed at a Right Issue in 2017 and deposited in the CDS account in 2025	3,164	113.60	359,430.40
Final Dividend for the year ended 31 December 2017	40	140.00	5,600.00
Final Dividend for the year ended 31 December 2018	51	106.70	5,441.70
Final Dividend for the year ended 31 December 2019	76	85.50	6,498.00
Final Dividend for the year ended 31 December 2020	75	87.70	6,577.50
Final Dividend for the year ended 31 December 2021	129	78.90	10,178.10
Final Dividend for the year ended 31 December 2022	208	65.00	13,520.00
Final Dividend for the year ended 31 December 2023	70	90.60	6,342.00
Final Dividend for the year ended 31 December 2024	488	146.00	71,357.50
Balance as at 31.12.2025	42,463		1,400,076.60
National Development Bank PLC (Tradeable shares in CDS)			
Balance as at 01.01.2025	1,072,988		43,025,437.62
Correction entry	(50,018)	49.06	(2,453,883.08)
Final Dividend for the year ended 31 December 2022	50,018	44.79	2,240,306.22
Final Dividend for the year ended 31 December 2024	24,269	112.74	2,736,087.06
Balance as at 31.12.2024	1,097,257		45,547,947.82

5.1.5 Market Value of shares held by the Secretary to the Treasury in Public Listed Companies as of 31.12.2025

Company Name	No of shares held by the Secretary to the Treasury as at 31.12.2025	Market value per share as at 31.12.2025 in Rs.	Total market value of shares held by the Secretary to the Treasury as at 31.12.2025 in Rs.	% of shareholding
Agarapathana Plantations PLC	23,284,644	19.80	461,035,951.20	4.66
Agalawatta Plantations PLC	741	53.00	39,273.00	0.00047
Balangoda Plantations PLC	4,760	71.20	338,912.00	0.01007
Bogala Graphite Lanka PLC	509,000	158.50	80,676,500.00	0.54
Bogawantalawa Tea Estates PLC	21,663	77.50	1,678,882.50	0.026
Commercial Bank of Ceylon PLC	42,463	200.75	8,524,447.25	0.00276
Elpitiya Plantations PLC	15,613,091	164.00	2,560,546,924.00	21.43
Galadari Hotels (Lanka) PLC	292,200	18.50	5,405,700.00	21.43
Horana Plantations PLC	5,888	52.70	310,297.60	0.023
Kegalle Plantations PLC	4,386	135.00	592,110.00	0.02
Kingsbury Hotels PLC	45,260	21.50	973,090.00	0.0128
Kotagala Plantations PLC	5,700,833	10.10	57,578,413.30	1.68
Madulsima Plantations PLC	3,805,652	12.00	45,667,824.00	2.245
Maskeliya Plantations PLC	9,007	81.10	730,467.70	0.01669
Namunukula Plantations PLC	3,801,598	650.00	2,471,038,700.00	16
National Development Bank PLC	1,097,257	141.25	154,987,551.25	0.26
Sri Lanka Telecom PLC	906,564,409	82.50	74,791,563,742.50	50.23
Talawakelle Tea Estates PLC	734	147.00	107,898.00	0.0015
Watawala Plantations PLC	755	46.70	35,258.50	0.00007

5.1.6 Reconciliation between Expenditure under Object Code 2301 (Equity Contribution) and Additions to Capital Contributions and Government Shareholding during 2025

Company Name	No of shares held by the Secretary to the Treasury as at 31.12.2025	Market value per share as at 31.12.2025 in Rs.	Total market value of shares held by the Secretary to the Treasury as at 31.12.2025 in Rs.	% of shareholding
241-1-1-0-2301-08	National Water Supply & Drainage Board	25,273,958,753.08		25,273,958,753.08
241-1-1-0-2301-48	National Water Supply & Drainage Board	20,333,983,323.37		20,333,983,323.37
241-1-1-0-2301-12	Sri Lankan Airlines	25,275,824,993.05		25,275,824,993.05
241-1-1-0-2301-20	Sri Lanka Broadcasting Corporation	318,000,000.00		318,000,000.00
241-1-1-0-2301-21	Co-operative Wholesale Establishment	812,785,080.04		812,785,080.04
241-1-1-0-2301-32	Sino Lanka Hotels & Spa (Pvt) Ltd	9,295,102,752.09		9,295,102,752.09
241-1-1-0-2301-32	Canwill Holdings (Private) Limited	5,000,000,000.00		5,000,000,000.00
241-1-1-0-2301-33	Janatha Estate Development Board	360,000,000.00		360,000,000.00
241-1-1-0-2301-34	Paddy Marketing Board	2,755,213,074.45		2,755,213,074.45
241-1-1-0-2301-35	Lanka Sathosa Limited	1,145,930,312.90		1,145,930,312.90
241-1-1-0-2301-36	Sri Lanka State Plantations Corporation	255,600,000.00		255,600,000.00
241-1-1-0-2301-39	Sri Lanka Nanotechnologies (Pvt) Ltd	86,714,575.48		86,714,575.48
241-1-1-0-2301-40	Sri Lanka Biotechnologies (Pvt) Ltd	490,000,000.00		490,000,000.00
241-1-1-0-2301-42	South Asian Centre for Teacher Development	50,000,000.00		50,000,000.00

5.1.6 Reconciliation between Expenditure under Object Code 2301 (Equity Contribution) and Additions to Capital Contributions and Government Shareholding during 2025 (Contd)

Company Name	No of shares held by the Secretary to the Treasury as at 31.12.2025	Market value per share as at 31.12.2025 in Rs.	Total market value of shares held by the Secretary to the Treasury as at 31.12.2025 in Rs.	% of shareholding
241-1-1-0-2301-44	General Sir John Kotelawala Defence University	8,054,711,726.72		8,054,711,726.72
241-1-1-0-2301-45	Dr. Nevil Fernando Teaching Hospital	5,490,442,404.55		5,490,442,404.55
241-1-1-0-2301-46	South Asian Institute of Technology and Medicine	2,941,088,000.00		2,941,088,000.00
241-1-1-0-2301-49	Cey-nor Foundation Ltd	16,000,000.00		16,000,000.00
241-1-1-0-2301-50	Lanka Sugar Company (Private) Limited	600,000,000.00		600,000,000.00
241-1-1-0-2301-51	Lanka Building Materials Corporation Limited	88,303,648.00		88,303,648.00
186-2-3-025-2301	GovTech Sri Lanka (Pvt) Ltd	2,000,000,000.00		2,000,000,000.00
117-2-25-006-2301	Sri Lanka Transport Board	1,800,000,000.00		1,800,000,000.00
117-2-25-006-2301	Lanka Metro Transit (Pvt) Ltd	1,200,000,000.00		1,200,000,000.00
	National Development Bank PLC		(213,576.86)	(213,576.86)
	Namunukula Plantations PLC		18,390,553.00	18,390,553.00
	Commercial Bank of Ceylon		54,157.30	54,157.30
	Milco (Pvt) Ltd		(3)	(3)
	Telecommunication Regulatory Commission		22,211,432,048.34	22,211,432,048.34
	National Credit Guarantee Institution Limited		(100,000.00)	(100,000.00)
	Maturata Plantation Limited		(10)	(10)
	National Development Bank PLC		2,736,087.00	2,736,087.00
	Commercial Bank of Ceylon PLC		71,357.50	71,357.50
	Sri Lanka Export Development Board		399,600.00	399,600.00
	Colombo Lotus Tower Management Company Ltd		10	10
	Malwatte Valley Plantations PLC		(10)	(10)
	Kotagala Plantations PLC		10	10
	Foreign currency denominated investments		152,788,900.00	152,788,900.00
	Central Bank of Sri Lanka		49,985,000,000.00	49,985,000,000.00
Total		**113,643,658,711.53**	**72,370,559,123.34**	**186,014,217,834.87**

5.1.7 List of State Owned Enterprises (SOEs) that Declared dividends but had not remitted to the Treasury by the Year end 2025

	Institute	Financial Year	Dividend Amount Declared (Rs.)	Remitted to the General Treasury (Rs.)	Due amount as at 31.12.2025 (Rs.)
1	National Salt Limited	2024/2025	60	-	60

5.1.8 Government Commitment to Service Sri Lankan Airline's Loans

- Cabinet decision dated 07.10.2025 on the Cabinet Memorandum No. 25/1884–804/122- I on "Finalization of Tripartite Agreements for servicing of selected debts of Sri Lankan Airlines" – approval was granted to SLA debt servicing (bi-annually during the next 05 years on equal installments with the applicable interest rates of 06% on Dollar loans and SLFR+1% on Rupee loans).

Bank of Ceylon (BOC) – Total outstanding loans as at 30 April 2025
USD 106,946,105.94
LKR 13,256,075,342.47

People's Bank (PB) – Total outstanding loans as at 30 April 2025
USD 111,109,814.13
LKR 20,296,032,921.72

- Cabinet approval was granted the Department of State Accounts to disclose the Government's commitment to service SLA loans from 2025 until full settlement.
- Restructuring of Sri Lankan Airlines debts has been approved in the 2025 and 2026 Budget Speeches.
- Accordingly, the 1st installment of LKR loans was transferred as below,
  - For BOC – Rs. 7,695,297,873.54
  - for PB – Rs. 8,767,324,353.48
- The 1st installment of USD loans was released
  - Rs.8,813,202,766.03 equivalent to USD 28,456,297.57 at Ex Rate Rs. 309.7101

  (BOC- USD 13,956,466.83, PB – USD 14,499,830.74)
- Accordingly, the commitment since 2026 onwards is as below:

Bank	LKR Loan	USD Loan
BOC	11,930,467,808.22+interest	96,251,495.34+interest
PB	18,266,429,629.55+interest	99,998,832.72+interest
Total	30,196,897,437.77+interest	196,250,328.06+interest

5.1.9 Government Equity Investment and Net Assets Position of Commercial Public Corporations as at 31 December 2024

SN.	Commercial Public Corporations	Equity Capital Balance	Net Assets as at 31.12.2024
1	Agriculture and Agrarian Insurance Board	50,000,000	(88,977,111,726)
2	Bank of Ceylon	25,730,000,000	302,559,805,000
3	Central Engineering Consultancy Bureau	500,000	7,468,981,790
4	Ceylon Ceramic Corporation	2,640,000	(411,567,619)
5	Ceylon Electricity Board	991,437,229,131	640,240,368,000
6	Ceylon Fisheries Corporation	326,609,805	(249,472,647)
7	Ceylon Fishery Harbours Corporation	350,099,843	7,645,248,400
8	Ceylon Petroleum Corporation	912,580,511,477	69,349,610,000
9	Coconut Development Authority	88,943,221	1,727,475,792
10	Condominium Management Authority	500,000	579,372,928
11	Co-operative Wholesale Establishment	7,994,353,601	(2,941,269,573)
12	Export Development Board	10,014,284	1,697,078,576
13	Geological Survey and Mines Bureau	98,316,264	7,232,491,021
14	Janatha Estates Development Board	4,220,000,000	(951,817,630)
15	National Gem & Jewellery Authority	30,000,000	3,373,048,279
16	National Transport Medical Institute	62,099,697	2,686,148,705

5.1.9 Government Equity Investment and Net Assets Position of Commercial Public Corporations as at 31 December 2024 (Contd)

SN.	Commercial Public Corporations	Equity Capital Balance	Net Assets as at 31.12.2024
17	National Film Corporation of Sri Lanka	10,000,000	862,956,008
18	National Institute of Business Management	57,175,766	3,018,971,325
19	National Livestock Development Board	6,801,995,542	5,142,496,132
20	National Lotteries Board	21,263,100	6,773,400,318
21	National Savings Bank	9,400,000,000	98,842,615,000
22	National Water Supply & Drainage Board	151,284,262,310	647,637,327,012
23	National Housing Development Authority	40,000,000	25,452,234,507
24	People's Bank	12,198,134,700	181,997,544,000
25	Paddy Marketing Board	12,194,071,864	(14,140,932,491)
26	Sir John Kotalewala Defence University	2,200,000,000	34,843,335,693
27	Sri Jayewardenapura General Hospital	1,016,825,162	13,808,609,024
28	Sri Lanka Bureau of Foreign Employment	691,161,789	22,245,727,803
29	Sri Lanka Institute of Tourism & Hotel Management	454,850,952	1,798,664,496
30	Sri Lanka Ayurvedic Drugs Corporation	5,000,000	1,764,956,251
31	Sri Lanka Broadcasting Corporation	980,239,085	1,118,463,423
32	Sri Lanka Cashew Corporation	427,287,074	590,137,161
33	Sri Lanka Cement Corporation	966,971,844	1,263,278,234
34	Sri Lanka Transport Board	3,944,890,550	35,679,750,030
35	Sri Lanka Export Credit Insurance Corporation	150,000,000	5,142,223,820
36	Sri Lanka Handicraft Board	69,629,000	287,372,462
37	Sri Lanka Land Development Corporation	1,000,000	12,060,475,298
38	Sri Lanka Ports Authority	7,535,916,027	618,786,222,592
39	Sri Lanka Rupavahini Corporation	1,131,986,693	(631,441,791)
40	Sri Lanka Tourism Promotion Bureau	33,069,157	13,962,466,253
41	Sri Lanka Tea Board	672,012,202	11,495,019,956
42	Sri Lanka State Plantation Corporation	234,300,000	3,727,847,737
43	State Development & Construction Corporation	928,151,650	(4,562,512,390)
44	State Engineering Corporation of Sri Lanka	4,142,380,000	468,215,343
45	State Mortgage & Investment Bank	889,813,000	5,420,197,467
46	State Pharmaceuticals Corporation of Sri Lanka	59,055,258	13,894,775,352
47	State Pharmaceuticals Manufacturing Corporation	3,106,173,044	13,293,131,956
48	State Printing Corporation	15,000,000	2,411,333,849
49	State Timber Corporation	41,503,668	8,122,338,577
50	Telecommunication Regulatory Commission	22,737,646,792	75,140,883,515
51	Urban Development Authority	1,357,651,060	484,295,147,375

5.1.10 Value of Government Investment in Share Capital and Net Asset Position of Fully Owned Companies as at 31 December 2024

SN.	Government Fully Owned Companies	Value of the Investment as at 31.12.2024 (Rs.)	Net Assets as at 31.12.2024 (Rs.)
1	BCC Lanka Ltd.	100,000,000	4,866,763,212
2	Building Materials Corporation Ltd.	10,000,000	N/A
3	Ceylon Shipping Corporation Ltd.	50,000,000	N/A
4	Cey-Nor Foundation Ltd.	40,000,000	1,021,697,659
5	Colombo Lotus Tower Management Company Ltd	500,000,010	(8,358,200,852)
6	Distance Learning Center Ltd	142,065,090	148,610,650
7	Hotel Developers (Lanka) PLC	20,466,456,860	11,915,257,000
8	Independent Television Network Ltd.	254,450,175	586,757,702
9	Kahatagaha Grafite Lanka Ltd.	13,000,000	536,797,903
10	Kalubowitiyana Tea Factory Ltd.	46,375,000	911,214,913
11	Lakdiwa Engineering Company (Pvt) Ltd.	20	68,985,812
12	Lanka Layland (Pvt) Ltd	8,960,506	2,269,663,201
13	Lanka Mineral Sands Ltd.	800,000,000	8,603,178,765
14	Lanka Phosphate Limited	72,510,000	1,266,895,845
15	Lanka STC General Trading Co. Ltd.	100,000,000	6,185,746,679
16	Lanka Sathosa Ltd.	2,578,245,320	(11,253,816,422)
17	MILCO (Pvt) Ltd	8,488,488,210	6,018,501,236
18	National Paper Company Ltd	323,000,000	N/A
19	North Sea Company (Pvt)Ltd	88,944,553	(425,839,707)
20	National Salt Ltd.	30,000,000	761,517,242
21	Paranthan Chemicals Company Ltd.	40,000,000	904,617,007
22	Rakna Arakshana Lanaka Ltd.	5,002,050	N/A
23	Skills Development Fund Ltd.	100,000,010	283,529,072
24	State Fertilizer Limited	716,964,821	13,207,433,269
25	Sri Lanka Thriposha Ltd.	304,600,000	2,521,955,684
26	Sri Lanka Institute of Biotechnology (Pvt) Ltd	1,297,070,879	1,266,512,451
27	Sri Lanka Institute of Nanotechnology (Pvt) Ltd	226,058,502	N/A
28	South Asia Center For Teacher Development	55,000,000	41,706,073
29	Chilaw Plantations Ltd.	200,000,010	2,191,506,181
30	Elkaduwa Plantations Ltd.	180,000,010	1,755,462,153
31	Kurunegala Plantations Ltd.	200,000,010	3,085,237,754

N/A – Audited Financial Statements as at 31.12.2024 is Not Available

5.2 List of Defunct Institutions

List of State Owned Enterprises (SOEs) proposed to be closed down as per the Cabinet Decision no. 25/1570/804/185 dated 09.10.2025

	Institutions which are proposed to be closed down under stage 1
1	Asian Games (Pvt)Ltd
2	City Campus Management (Guarantee) Ltd
3	Common Wealth Game Hambantota (Pvt) Ltd
4	Lanka Fabrics Ltd
5	Lanka Logistics (Pvt) Ltd
6	Magampura Port Management Company Ltd
7	Mahaweli Livestock Enterprise Limited
8	National Equipment and Machinery Organization
9	Peliyagoda Warehouse
10	Selendiva Investments Limited
11	State Resource Management Corporation Limited
12	Sri Lanka Rubber Manufacturing and Export Corporation
13	Provident Property Lanka Ltd
14	Strategic Enterprises Management Agency
15	Thurusaviya Fund
16	Natural Resources Management (Pvt) Ltd
	Institutions which are proposed to be closed down under stage 2
17	Metropolitan Campus (Guarantee) Limited (Miloda Institute)
18	Mihin Lanka Ltd
19	Techno Park Development Company (Pvt) Ltd
20	Media Training Institute
21	Lanka Cement Company Ltd
22	Hingurana Sugar Industries Ltd
23	Kanthale Sugar Industries Ltd
24	Centre of Excellence for Robotic Applications
25	Corporative Wholesale Establishment
26	Sri Lanka Poultry Development Company Limited
27	Expressway Transport Company (Pvt) Ltd
	In addition, as per the observations made by the Minister of Industry and Entrepreneurship Development for the aforementioned Cabinet Memorandum, the following 06 institutions are also proposed to be closed down under stage 2
28	Small and Medium Enterprises Venture Capital Company
29	Small and Medium Enterprises Authority
30	Timber-related Design Centre
31	Kahagolla Engineering Services Company Ltd (KESCO)
32	Lanka Textile Emporium Ltd
33	Sri Lanka Cement Corporation
	Further, as per the observation made by the Minister of Trade, Commerce, Food Security and Co-operative Development, recommended to remove the Co-operative Wholesale Establishment (CWE) from the stage 2 list.
	Others
34	Sri Lanka Savings Bank

06. Nature and Purpose of Reserves

The Government creates and maintains reserves in terms of specific local requirements.

07. Consolidated Fund

The funds of the Republic not allocated by law to specific purposes form the Consolidated Fund into which shall be paid the produce of all taxes, levies, rates and duties and all other revenues and receipts of the Republic not allocated to specific purposes.

08. Contingency Fund

A Fund Created by Parliament by law for the purpose of providing for urgent and unforeseen expenditure.

09. General Fund

The balance of the General Fund represents the cumulative financial performance of the Government after accounting for all receipts and payments through the Consolidated Fund and the adjustments recorded in Nominal Accounts. Surpluses or deficits arising during the reporting period are reflected directly in the General Fund balance.

10. Foreign Loan Adjustment Accounts

Accounts created for recording loan receipts and reimbursements for expenditure incurred.

11. Public Service Provident Fund Account

A Fund established to afford Provident Fund benefits to those public servants who are not pensionable.

12. Teachers Widows Orphans Pension Fund

A fund established for the payment of pension to widowers and orphans of teachers who are entitled to the payment of pension under the Minutes of pension.

SHEDULE I - STATEMENT OF CONTINGENT LIABILITIES
SHEDULE I(a) - STATEMENT OF TREASURY GUARANTEES ISSUED BY THE GENERAL TREASURY AS AT 31.12.2025

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
1	General Sir John Kotelawala Defence	Bank of Ceylon	Secure the loan facility				85.00	29-Aug-11	31-Dec-26				6.09
2	Road Development Authority	People's Bank	Secure the loan facility				1,291.08	14-Mar-12	20-Apr-30				1,291.08
3	Road Development Authority	People's Bank	Secure the loan facility				785.39	21-Mar-12	28-Apr-30				785.39
4	Road Development Authority	People's Bank	Secure the loan facility				1,656.01	21-Mar-12	02-May-30				1,656.01
5	National School of Business Management Limited	Bank of Ceylon	Secure the loan facility				8,600.00	18-Dec-13	31-Dec-28				4,535.00
6	Road Development Authority	People's Bank	Secure the Term loan facility	44.71			-	22-Sep-14	30-Sep-27	7.36			
7	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				1,148.06	12-Nov-14	31-May-29				572.47
8	National Water Supply & Drainage Board	National Development Bank PLC	Secure Term Loan facility				2,800.00	9-Dec-14	31-Dec-29				1,265.94
9	National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan facility				2,900.00	9-Dec-14	31-Dec-29				1,147.25
10	Airport & Aviation Services (Sri Lanka) Limited	Japan International Corporation Agency (JICA)	Loan facility			28,969.00	-	28-Mar-12	28-Mar-52			25,963	
11	National Water Supply & Drainage Board	National Development Bank PLC	Secure Term Loan facility				1,074.13	29-Sep-15	31-Dec-30				1,042.83
12	National Water Supply & Drainage Board	National Development Bank PLC	Secure the term loan facility				2,506.30	21-Feb-19	31-Dec-30				
13	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				948.00	4-Mar-16	15-Sep-30				462.47
14	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility				33.00	16-Nov-20	15-Sep-30				
15	Airport & Aviation Services (Sri Lanka) Limited	Japan International Corporation Agency (JICA)	Secure the Term Loan Facility			45,428.00	-	9-May-16	9-May-56			984.00	
16	National Water Supply & Drainage Board	Bank of Ceylon	Loan- SLP 114				300.00	29-Jul-16	31-Jan-31				40.86
17	National Water Supply & Drainage Board	Bank of Ceylon	Secure the loan facility				454.79	21-Feb-19	31-Jan-31				
18	National Water Supply & Drainage Board	People's Bank	Secure the term loan facility				397.00	29-Jul-16	31-Jul-31				130.53
19	National Water Supply & Drainage Board	People's Bank	Secure the loan facility				603.00	21-Feb-19	31-Jul-31				
20	National Water Supply & Drainage Board	DFCC Bank	Secure the term loan facility				937.87	16-Aug-16	11-Jul-31				1,553.83

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
21	National Water Supply & Drainage Board	DFCC Bank	Secure Term Loan facility				1,358.98	6-Nov-17	11-Jul-31				
22	National Water Supply & Drainage Board	DFCC Bank	Secure the term loan facility				829.40	4-Jan-19	11-Jul-31				
23	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan facility	16.20			-	31-Aug-16	28-Feb-31				1,493.90
24	National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	164.90			-	28-Sep-16	5-Jun-42	93.81			
25	National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee	91.80			-	28-Sep-16	5-Jun-42	61.98			
26	National Water Supply & Drainage Board	China Development Bank	Sovereign Guarantee	195.08			-	9-Sep-16	20-Mar-32	110.22			
27	National Water Supply & Drainage Board	Hatton National Bank	Secure the Term Loan facility		23.42		-	9-Dec-16	14-Dec-30				2,081.54
28	National Water Supply & Drainage Board	People's Bank	Secure the Term Loan facility				560.97	13-Feb-17	13-Feb-32				297.44
29	Airport & Aviation Services (Sri Lanka) Limited	Hong Kong & Shanghai Banking Co.Ltd.	Secure the Total term Loan Facility	44.14			-	1-Mar-17	1-Mar-32	29.49			
30	National Water Supply & Drainage Board	National Development Bank PLC	Term Loan facility				4,500.00	25-Jul-17	26-Jul-35				11,342.93
31	National Water Supply & Drainage Board	National Development Bank PLC	Secure the term loan facility				6,500.00	18-Feb-19	26-Jul-35				
32	National Water Supply & Drainage Board	National Development Bank PLC	Term Loan facility				4,000.00	16-Feb-21	26-Jul-35				
33	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan facility	9.67			-	19-Oct-17	23-Oct-32				1,114.13
34	National Water Supply & Drainage Board	China Development Bank	Loan facility	54.79			-	21-Aug-17	21-Aug-42	45.80			
35	Road Development Authority	Sampath Bank	Secure the Term Loan facility				14,500.00	20-Dec-17	31-Dec-32				9,227.27
36	Ceylon Electricity Board	Asian Development Bank	Sovereign Guarantee	90.00			-	29-Jun-17	15-May-41	65.88			
37	Ceylon Electricity Board	Asian Development Bank	Sovereign Guarantee	150.00			-	10-Jul-17	15-Nov-41	115.18			
38	Road Development Authority	Bank of Ceylon	Secure the Total Term Loan facility				1,387.00	24-Jan-18	31-Jan-33				413.96
39	National Water Supply & Drainage Board	UniCredit Bank Austria AG	Sovereign Guarantee		50.60		-	28-Mar-18	31-Aug-29		40.80		
40	National Water Supply & Drainage Board	People's Bank	Secure the Term Loan facility		7.62		-	6-Apr-18	10-Apr-33				867.27
41	State Development and Construction Corporation	Bank of Ceylon	Secure the loan facility				1,126.81	8-Jun-18	11-Jun-33				990.61
42	State Engineering Corporation	Bank of Ceylon	Secure the term loan facility				1,280.26	30-Jun-18	30-Jun-33				1,999.99
43	State Engineering Corporation	Bank of Ceylon	Secure the term loan facility				719.74	22-Oct-18	30-Jun-33				

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
44	Ceylon Electricity Board	Asian Development Bank	Sovereign Guarantee	160.00			-	22-Nov-17	15-Sep-37	126.51			
45	National Water Supply & Drainage Board	People's Bank	Secure the term loan facility				128.32	13-Jul-18	31-Jul-33				14.04
46	State Engineering Corporation	Bank of Ceylon	Secure the term loan facility				300.00	6-Aug-18	8-Aug-28				300.00
47	Road Development Authority	Bank of Ceylon	Secure the term loan facility				10,000.00	13-Aug-18	15-Aug-33				16,761.90
48	Road Development Authority	Bank of Ceylon	Secure the term loan facility				5,766.52	3-Sep-18	15-Aug-33				
49	Road Development Authority	Bank of Ceylon	Secure the term loan facility				4,150.00	11-Sep-18	15-Aug-33				
50	Road Development Authority	Bank of Ceylon	Secure the term loan facility				1,854.99	17-Sep-18	15-Aug-33				
51	Road Development Authority	Bank of Ceylon	Secure the term loan facility				228.49	9-Apr-19	15-Aug-33				
52	Ceylon Petroleum Corporation	People's Bank	Secure the term loan facility	7.73			-	31-Aug-18	15-Sep-31	4.63			
53	Ceylon Shipping Corporation Ltd	People's Bank	Secure the loan facility	71.91			-	7-Sep-18	3-Jun-34	47.55			
54	National Water Supply & Drainage Board	Bank of Ceylon	Secure the term loan facility				382.24	25-Sep-18	15-Sep-33				201.67
55	Building Materials Corporation Ltd	Bank of Ceylon	Secure the term loan facility				500.00	22-Oct-18	19-Oct-33				500.00
56	Road Development Authority	Bank of Ceylon	Secure the term loan facility				5,000.00	12-Dec-18	20-Dec-33				6,652.17
57	Road Development Authority	Bank of Ceylon	Secure the term loan facility				4,000.00	28-Dec-18	20-Dec-33				
58	National Water Supply & Drainage Board	ING Bank, NV of Netherlands	Secure The Commercial Loan		12.29		-	12-Dec-18	4-Jul-23		3.86		
59	National Water Supply & Drainage Board	ING Bank, NV of Netherlands	Secure The Export Credit Facility		70.66		-	12-Dec-18	3-Oct-33		67.46		
60	Road Development Authority	DFCC Bank	Secure the term loan facility				5,000.00	14-Feb-19	12-Mar-34				3,478.26
61	Airport & Aviation Services (Sri Lanka) Limited	Hatton National Bank	Secure the Debenture				4,000.00	22-Mar-19	21-Mar-34				4,000.00
62	Road Development Authority	Bank of Ceylon	Secure the term loan facility				10,000.00	4-Apr-19	15-Apr-34				17,708.33
63	Road Development Authority	Bank of Ceylon	Secure the term loan facility				5,000.00	7-May-19	15-Apr-34				
64	Road Development Authority	Bank of Ceylon	Secure the term loan facility				5,000.00	6-Jun-19	15-Apr-34				
65	Road Development Authority	Bank of Ceylon	Secure the term loan facility				5,000.00	21-Jun-19	15-Apr-34				

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
66	Ceylon Petroleum Corporation	China National Chemical Engineering No.14 Construction Co. Ltd	Sovereign Guarantee	43.78			-	26-Jun-19	31-Jan-31	19.73			
67	Sri Lankan Airlines Limited	DB Trustees (Hong Kong) Limited	Sovereign Guarantee	175.00			-	26-Jun-25	25-Jun-26	175.00			
68	Ceylon Electricity Board	Industrial And Commercial Bank of China Limited	Loan facility	41.97			-	2-Jul-19	23-Apr-26	26.53			
69	National Water Supply & Drainage Board	National Savings Bank	Secure the Term Loan Facility				15,000.00	30-Jun-20	15-Jul-35				11,875.00
70	National Water Supply & Drainage Board	People's Bank	Secure the Term Loan Facility				2,874.69	31-Jul-20	15-Aug-35				1,946.52
71	Road Development Authority	National Savings Bank	Secure the Term Loan Facility				10,000.00	22-Oct-20	30-Jun-35				7,916.66
72	Ceylon Electricity Board	National Savings Bank	Secure the Term Loan Facility				5,000.00	26-Nov-20	15-Dec-28				3,000.00
73	National Water Supply & Drainage Board	National Savings Bank	Secure the Term Loan Facility				15,000.00	9-Dec-20	15-Dec-35				11,875.00
74	Road Development Authority	People's Bank	Secure the Term Loan Facility				10,000.00	30-Dec-20	31-Dec-35				8,333.34
75	Road Development Authority	National Savings Bank	Secure the loan facility				1,600.33	30-Dec-20	01-Apr-32				1,600.33
76	Road Development Authority	National Savings Bank	Secure the loan facility				891.41	30-Dec-20	01-Apr-32				891.41
77	Road Development Authority	National Savings Bank	Secure the loan facility				1,541.38	30-Dec-20	01-Apr-34				1,541.38
78	Road Development Authority	National Savings Bank	Secure the loan facility				325.86	30-Dec-20	01-Apr-32				325.86
79	Road Development Authority	National Savings Bank	Secure the loan facility				1,062.50	30-Dec-20	01-Apr-32				1,062.50
80	Road Development Authority	National Savings Bank	Secure the loan facility				2,935.67	30-Dec-20	01-Apr-34				2,935.67
81	Road Development Authority	National Savings Bank	Secure the loan facility				5,217.03	30-Dec-20	01-Apr-34				5,217.03
82	Road Development Authority	National Savings Bank	Secure the loan facility				1,350.00	30-Dec-20	01-Apr-34				1,350.00
83	Road Development Authority	National Savings Bank	Secure the loan facility				2,397.94	30-Dec-20	01-Apr-34				2,397.94
84	Road Development Authority	National Savings Bank	Secure the loan facility				1,113.19	30-Dec-20	01-Apr-34				1,113.19
85	Road Development Authority	National Savings Bank	Secure the loan facility				947.84	30-Dec-20	01-Apr-34				947.84
86	Road Development Authority	National Savings Bank	Secure the Term loan facility				1,059.03	30-Dec-20	01-Apr-34				1,059.03
87	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility				10,000.00	5-Jan-21	1-Jan-36				9,166.00
88	National Water Supply & Drainage Board	Commercial Bank	Secure Term Loan facility				968.36	20-Jan-21	15-Jul-29				427.65

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
89	National Water Supply & Drainage Board	Hatton National Bank	Secure the Term Loan Facility				6,046.03	10-Feb-21	1-Jul-31				4,020.77
90	National Water Supply & Drainage Board	Hatton National Bank	Secure the Term Loan Facility				1,471.36	11-Feb-21	1-Jan-31				946.82
91	National Water Supply & Drainage Board	National Savings Bank	Secure Term Loan facility				710.61	11-Feb-21	31-May-29				332.48
92	Road Development Authority	National Savings Bank	Secure Term Loan facility				5,000.00	19-Feb-21	20-Feb-36				8,749.99
93	Road Development Authority	National Savings Bank	Secure Term Loan facility				5,000.00	15-Mar-21	20-Feb-36				
94	Ceylon Electricity Board	People's Bank	Term Loan Facility				6,500.00	3-Mar-21	26-Jun-29				5,135.34
95	Bank of Ceylon & People's Bank	Asian Infrastructure Investment Bank (AIIB)	Sovereign Guarantee	180.00			-	21-Mar-21	21-Mar-27	80.00			
96	Road Development Authority	Bank of Ceylon	Secure the Term Loan Facility				10,000.00	9-Jun-21	10-Jun-36				9,166.67
97	Road Development Authority	National Savings Bank	Secure the Loan Facility				3,250.00	15-Jul-21	15-Jul-36				2,843.75
98	Road Development Authority	National Savings Bank	Secure Term Loan facility				10,000.00	29-Jul-21	30-Jul-36				8,749.99
99	Road Development Authority	National Savings Bank	for debenture				10,000.00	13-Oct-21	11-Oct-36				8,749.99
100	Road Development Authority	National Savings Bank	for debenture				11,800.00	9-Nov-21	11-Oct-36				10,324.99
101	Road Development Authority	Bank of Ceylon	To secure the term loan facility				11,000.00	12-Nov-21	25-Jun-35				9,166.67
102	Road Development Authority	Bank of Ceylon	To secure the term loan facility				14,000.00	12-Nov-21	14-Jul-35				11,666.67
103	Road Development Authority	People's Bank	To secure the term loan facility				17,000.00	12-Nov-21	15-Jul-35				14,166.67
104	Road Development Authority	People's Bank	To secure the term loan facility				8,000.00	12-Nov-21	25-Aug-35				6,666.67
105	Janatha Estates Development Board	Bank of Ceylon	Working Capital Facility				200.00	25-Nov-21	2-Dec-26				55.26
106	National Water Supply & Drainage Board	National Savings Bank	Working Capital Facility				2,000.00	2-Dec-21	31-May-36				1,600.00
107	Road Development Authority	Bank of Ceylon	Secure the loan facility				1,784.36	10-Jan-22	31-Mar-30				1,433.67
108	Road Development Authority	Bank of Ceylon	Secure the loan facility				2,063.00	10-Jan-22	31-Mar-30				1,604.17
109	Road Development Authority	Bank of Ceylon	Secure the loan facility				2,007.64	10-Jan-22	31-Mar-30				1,565.50
110	Road Development Authority	Bank of Ceylon	Secure the loan facility				1,413.16	10-Jan-22	31-Mar-32				954.50
111	Road Development Authority	Bank of Ceylon	Secure the loan facility				670.75	10-Jan-22	31-Mar-32				805.33
112	Road Development Authority	Bank of Ceylon	Secure the loan facility				3,139.25	10-Jan-22	31-Mar-32				2,256.20

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
113	Road Development Authority	Bank of Ceylon	Secure the loan facility				3,330.95	10-Jan-22	31-Mar-32				2,716.93
114	Road Development Authority	Bank of Ceylon	Secure the loan facility				2,173.92	10-Jan-22	31-Mar-32				1,761.35
115	Regional Development Bank	Asian Development Bank	Secure the Term Loan Facility	50.00			-	14-Jun-19	30-Nov-31	50.00			
116	National Water Supply & Drainage Board	China Development Bank	Letter of Undertaking to secure loan facility	102.54			-	4-Oct-17		37.71			
117	Sri Lanka Rupavahini Corporation	Bank of Ceylon	Secure the Long Term Loan Facility				93.00	10-Jun-20	15-May-26				11.84
118	Sri Lanka State Plantation Corporation	People's Bank	Secure the Loan Facility				100.00	16-Oct-23	31-Dec-28				69.90
119	Ceylon Electricity Board	Bank of Ceylon	Secure the Term Loan Facility				4,540.00	28-Feb-24	28-Feb-26				114.19
120	Sri Lankan Airlines Limited	International Air Transport Association		11.60				31-Jul-25	31-Jul-26	11.60			
121	State Printing Corporation	People's Bank	Secure the credit facilities				1,165.00	27-Sep-22	15-Sep-26				17.26
122	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan facility	34.43			-	28-Nov-16	28-Nov-33				4,638.68
123	National Water Supply & Drainage Board	Bank of Ceylon	Secure the loan facility				1,500.00	28-Jul-14	31-Jan-32				1,932.22
124	National Water Supply & Drainage Board	Bank of Ceylon	Secure the loan facility				1,500.00	28-Jul-14	31-Jan-32				
125	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				2,890.00	4-Mar-16	15-Sep-32				2,292.60
126	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				847.66	29-Jan-21	15-Sep-32				
127	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan facility	29.10			-	31-Aug-16	28-Feb-33				3,895.12
128	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan facility	18.10			-	19-Oct-17	23-Oct-34				2,770.17
129	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				3,041.00	30-Dec-14	30-Jun-31				3,355.00
130	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				1,870.50	31-May-16	30-Jun-31				
131	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				1,015.00	28-Jan-16	30-Jul-32				1,089.52
132	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				485.03	22-Jan-21	30-Jul-32				
133	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility				2,500.00	9-Jul-20	15-Jul-37				4,840.11
134	National Water Supply & Drainage Board	Bank of Ceylon	Secure the Term Loan Facility				3,351.94	25-Aug-20	15-Jul-37				
135	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				3,014.83	29-Sep-15	31-Mar-32				5,397.56
136	National Water Supply & Drainage Board	Bank of Ceylon	Secure Term Loan facility				3,936.67	24-May-16	31-Mar-32				

	Institution	Bank or Institution	Purpose	Value of the Treasury Guarantees				Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12 2025			
				USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.			USD Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
137	National Water Supply & Drainage Board	Bank of Ceylon	Secure the loan facility				1,141.36	7-Oct-19	31-Mar-32				
138	Lanka Coal Company (Pvt) Ltd	Bank of Ceylon	to facilitate the Coal imports				22,000.00	4-Jan-23	22-Oct-25				19,610.25
139	Ceylon Petroleum Corporation	Bank of Ceylon	Secure the Foreign Currency Loans				100,000.00	20-Mar-23	31-Dec-25				72,040.78
140	General Sir John Kotelawala Defence University	National Savings Bank	Secure the Loan Facility				33,896.09	23-Jul-20	17-Sep-31				29,053.00
141	Central Bank of Sri Lanka	Reserve Bank of India	Guarantee for Special Swap Agreement	1,101.43				1-Jul-25	3-Jan-27	651.43			
142	Power System Strengthening and Renewable Energy	Asian Development Bank	Sovereign Guarantee	150.00				19-Dec-24	11-Jan-49	0.160			
143	Lanka Electricity Company (Pvt) Ltd	Asian Development Bank	Sovereign Guarantee	50.00				19-Dec-24	11-Jan-49	0.530			
144	Energy Activity Support Facility (CEB)	Asian Development Bank	Sovereign Guarantee	15.00				19-Dec-24	12-Jan-49	6.800			
145	National Water Supply & Drainage Board	Exim Bank of India	Sovereign Guarantee for the Funded Interest Term Loan Agreement for NWSDB	5.38				3-Apr-25	5-Jun-42	5.380			
Total in Issued Currency				**3,109.24**	**164.59**	**74,397.00**	**546,327.68**			**1,773.28**	**112.12**	**26,947.00**	**435,486.09**
CBSL Indicative Exchange Rates - As at 31.12.2025				309.9944	363.9644	1.9814				309.9944	363.9644	1.9814	1.00
Total in Rupees				**963,846.89**	**59,906.37**	**147,410.22**	**546,327.68**			**549,706.53**	**40,807.69**	**53,392.79**	**435,486.09**
Grand Total							**1,717,491.15**						**1,079,393.09**

SHEDULE I(b) - STATEMENT OF LETTERS OF COMFORT ISSUED TO LOCAL BANKS AND THE LIABILITIES AS AT 31ST DECEMBER 2025

	Institution	Bank or Institution	US$ Mn			LC Amount in Rs. Mn.	Date of Issue	Date of Expiry	Outstanding Amount - Capital as at 31.12.2025			
									US$ Mn.	Euro Mn.	J.Yen Mn.	Rs. Mn.
1	Co-operative Wholesale Establishment	Paddy Marketing Board				440.00	11-Jan-17	11-Jan-18	-			440.00
2	Co-operative Wholesale Establishment	Paddy Marketing Board				440.00	1-Mar-17	22-Feb-18	-			289.60
3	Bank of Ceylon and Peoples' Bank	Export Development Board				60.00	29-Mar-18	28-Feb-27				60.00
Total in Issued Currency			-	-	-	**940.00**			-	-	-	**789.60**
CBSL Indicative Exchange Rates - As at 31.12.2025			309.9944	363.9644	1.9814				309.9944	363.9644	1.9814	1.00
Total in Rupees			-	-	-	**940.00**						
Grand Total						**940.00**						**789.60**

SHEDULE II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2025

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
102	Ministry of Finance, Planning and Economic Development	Colombo Port City Development Project	1,354,000,000	456,253,621	34
103	Ministry of Defence	Strategic Defence Communication	32,000,000	27,682,744	87
111	Ministry of Health and Mass Media	Health Sector Training	2,000,000	996,030	50
117	Ministry of Transport, Highways and Urban Development	Extension of Southern Expressway from Matara to Hambantota (GOSL-China)	21,500,000	21,486,552	100
		Extension of Southern Expressway from Matara to Hambantota (GOSL-China)	691,000,000	690,718,598	100
		Gap Financing of the Road Development Authority's Commitments	162,832,649,500	162,568,057,443	100
		Second New Kelani Bridge Construction Project (GOSL-JICA)	31,400,000	31,327,154	100
		Greater Colombo Urban Transport Development Project Phase I (GOSL-Japan)	289,000,000	289,000,000	100
118	Ministry of Agriculture, Livestock, Land and Irrigation	Development of Mini Dairy Corporation Societies	48,000,000	47,457,627	99
		Development of Small and Medium Scale Livestock	150,000,000	83,804,058	56
		Livelihood Development through Goat Farming	108,150,000	18,870,565	17
		Uma Oya Diversion Project	1,920,000,000	1,288,919,098	67
119	Ministry of Energy	Accounting for the Foreign Disbursements of CEB Loan (ADB-JICA)	3,976,000,000	3,711,874,572	93
123	Ministry of Housing, Construction and Water Supply	Metro Colombo Urban Development Project (GOSL-World Bank)	63,000,000	23,426,262	37
		Development of Strategic Cities Jaffna (GOSL-World bank)	75,000,000	5,745,177	8
		Development of Strategic Cities Anuradhapura (GOSL-World Bank)	3,513	3,513	100
		Tourism Promotion and City Branding	500,000,000	52,055,187	10
		Middle Income Housing Project	20,000,000	14,573,000	73
		"Kandurata Dashakaya" Integrated Village Development Programme	32,250,000	17,149,411	53
130	Ministry of Public Administration, Provincial Councils and Local Government	Greater Colombo Waste Water Management Project (GOSL-ADB)	3,000,000,000	3,000,000,000	100
		Greater Colombo Waste Water Management Improvement Programme - Tranch 3 (GOSL-EIB)	4,000,000,000	2,133,433,408	53
		Greater Colombo Waste Water Management Improvement Programme - Tranch 3 (GOSL-EIB)	500,000,000	429,063,995	86
		Greater Colombo Water and Waste Water Improvement Investment Programme - Tranch 3 (GOSL-ADB)	3,000,000,000	1,892,000,000	63
		Transport Connectivity and Assets Management Project (Provincial Road Development Project) (GOSL-WB)	89,043,790	89,043,790	100

SHEDULE II - STATEMENT OF CAPITAL INVESTMENT IN DEVELOPMENT PROJECTS - 2025

Head No	Institution	Project Description	Provision (Rs.)	Expenditure (Rs.)	Expenditure as % of Provision
		Rural Bridges Project (GOSL-DRIVE Netherland)	790,590,237	790,590,236	100
		Rural Bridges Project (GOSL-DRIVE Netherland)	2,421,000,000	2,420,126,301	100
		Rural Bridges Project (GOSL-DRIVE Netherland)	20,000,000	19,611,467	98
135	Ministry Plantation and Community Infrastructure	Upgrading Vocational Training Center in Hatton (India)	10,670,000	10,670,000	100
		Upgrading Vocational Training Center in Hatton (India)	6,565,933	6,565,933	100
149	Ministry of Industry and Entrepreneurship Development	Industrial Estates Development Programme	2,000,000,000	823,670,969	41
151	Ministry of Fisheries, Aquatic and Ocean Resources	Rehabilitation of Karainagar Boatyard of Cey-Nor Foundation Ltd	10,000,000	10,000,000	100
204	Department of Hindu Religious and Cultural Affairs	Renovation, Rehabilitation of Infrastructure Facilities of Hindu Temples	36,000,000	36,000,000	100
209	Department of National Archives	Archival Management Project	32,000,000	32,000,000	100
219	Department of Sports Development	Improvement of Identified Sports School Facilities	200,000,000	100,320,108	50
223	Sri Lanka Navy	Other Capital Expenditure	100,000,000	92,480,188	92
		Construction of Quay at Dockyard Trincomalee	1,500,000,000	1,359,857,173	91
		Enhancement of Infrastructure Facilities with Floating Dock	60,000,000	15,576,882	26
		Obtaining a 4,000 Ton Floating Dock under Indian Donation	60,000,000	39,646,500	66
284	Department of Wildlife Conservation	Other Capital Expenditure	9,000,000	8,814,107	98
		Habit Enrichment for Wildlife	100,000,000	98,493,524	98
		Improvement of Road Network in National Parks	40,000,000	40,000,000	100
285	Department of Agriculture	Improvement of School of Agriculture	12,000,000	7,980,822	67
289	Department of Export Agriculture	Other Capital Expenditure	10,000,000	6,916,665	69
290	Department of Fisheries and Aquatic Resources	Habit Enrichment for Fish Production in Coastal Area	40,000,000	20,022,085	50
		Minimize the Impact on Fisheries Industry due to Natural Disasters or Disruptions to Coastal Fisheries	9,000,000	4,364,524	48
		Safety Improvement of Landing Sites	20,000,000	4,824,750	24
294	Department of National Zoological Gardens	Dehiwala Zoological Garden	10,000,000	143,205	1
		Pinnawala Elephant Orphanage	2,000,000	1,217,500	61
		Safari Park at Hambantota	10,000,000	2,217,500	22
311	Department of National Physical Planning	Township Development Plans - New Town at Anuradhapura Lolugaswewa Project	25,000,000	6,788,500	27
		Physical Plans and Research Activities	5,000,000	335,038	7
	Total		**190,273,822,973**	**182,852,175,780**	

Schedule III - HEAD-WISE SUMMARY OF BUDGETARY PROVISION AND EXPENDITURE - 2025

Rs.'000

Head	Institution	Total				Recurrent				Capital			
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
1	His Excellency the President	9,042,000	5,365,469	3,676,531	41	2,504,700,000	2,152,967,137	351,732,863	14	6,537,300	3,212,502	3,324,798	51
2	Office of the Prime Minister	1,170,000	799,380	370,620	32	1,095,500	774,713	320,787	29	74,500	24,667	49,833	67
4	Judges of the Superior Courts	581,500	512,185	69,315	12	551,000	490,113	60,887	11	30,500	22,071	8,429	28
5	Office of the Cabinet of Ministers	231,000	196,474	34,526	15	205,250	187,006	18,244	9	25,750	9,468	16,282	63
6	Office of the Public Service Commission	363,500	337,097	26,403	7	347,015	325,760	21,255	6	16,485	11,336	5,149	31
7	Judicial Service Commission	165,400	109,292	56,108	34	161,300	108,179	53,121	33	4,100	1,113	2,987	73
8	National Police Commission	245,000	236,328	8,672	4	232,500	224,721	7,779	3	12,500	11,608	892	7
9	Administrative Appeals Tribunal	49,500	42,231	7,269	15	47,785	40,607	7,178	15	1,715	1,624	91	5
10	Commission to Investigate Allegations of Bribery or Corruption	1,374,000	988,993	385,007	28	962,500	884,187	78,313	8	411,500	104,807	306,693	75
11	Office of the Finance Commission	133,000	122,372	10,628	8	132,200	121,719	10,481	8	800	653	147	18
13	Human Rights Commission of Sri Lanka	469,200	405,658	63,542	14	378,700	365,397	13,303	4	90,500	40,261	50,239	56
16	Parliament	5,150,430	3,871,801	1,278,629	25	4,172,615	3,704,265	468,350	11	977,815	167,536	810,279	83
17	Office of the Leader of the House of Parliament	78,000	72,009	5,991	8	73,500	69,701	3,799	5	4,500	2,308	2,192	49
18	Office of the Chief Govt. Whip of Parliament	88,500	73,730	14,770	17	85,125	71,230	13,895	16	3,375	2,500	875	26
19	Office of the Leader of the Opposition of Parliament	331,000	297,179	33,821	10	319,780	286,930	32,850	10	11,220	10,249	971	9
20	Election Commission	12,487,000	10,578,243	1,908,757	15	12,278,000	10,452,833	1,825,167	15	209,000	125,411	83,589	40
21	National Audit Office	4,352,500	3,230,660	1,121,840	26	3,290,500	3,045,849	244,651	7	1,062,000	184,812	877,188	83
22	Office of the Parliamentary Commissioner for Administration	46,000	34,072	11,928	26	43,500	33,351	10,149	23	2,500	722	1,778	71
23	Audit Service Commission	80,000	58,981	21,019	26	76,700	58,425	18,275	24	3,300	556	2,744	83
24	National Procurement Commission	222,000	136,697	85,303	38	86,700	63,512	23,188	27	135,300	73,186	62,114	46
25	Delimitation Commission	19,000	17,849	1,151	6	18,700	17,626	1,074	6	300	224	76	25
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	4,772,327	2,579,030	2,193,297	46	2,400,900	1,943,324	457,576	19	2,371,428	635,706	1,735,722	73
102	Ministry of Finance, Planning and Economic Development	262,874,218	258,692,818	4,181,400	2	248,592,718	247,246,121	1,346,597	1	14,281,500	11,446,697	2,834,803	20
103	Ministry of Defence	59,932,916	43,226,840	16,706,075	28	26,733,050	17,529,416	9,203,634	34	33,199,866	25,697,424	7,502,442	23
110	Ministry of Justice and National Integration	13,042,975	7,156,296	5,886,679	45	6,754,120	4,115,568	2,638,552	39	6,288,855	3,040,728	3,248,128	52
111	Ministry of Health and Mass Media	484,940,252	399,238,253	85,701,999	18	397,028,252	349,484,979	47,543,273	12	87,912,000	49,753,274	38,158,726	43
112	Ministry of Foreign Affairs, Foreign Employment and Tourism	21,773,000	18,787,343	2,985,657	14	18,660,100	16,597,294	2,062,806	11	3,112,900	2,190,050	922,850	30
116	Ministry of Trade, Commerce, Food Security and Co-operative Development	1,353,000	1,124,053	228,947	17	1,215,200	1,106,782	108,418	9	137,800	17,271	120,529	87

Rs.'000

Head	Institution	Total				Recurrent				Capital			
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
117	Ministry of Transport, Highways and Urban Development	424,062,800	388,477,969	35,584,831	8	18,530,973	18,090,136	440,837	2	405,531,827	370,387,834	35,143,993	9
118	Ministry of Agriculture, Livestock, Land and Irrigation	156,350,313	118,504,930	37,845,383	24	53,473,000	52,585,812	887,188	2	102,877,313	65,919,118	36,958,195	36
119	Ministry of Energy	11,642,000	7,846,314	3,795,686	33	1,057,270	858,359	198,911	19	10,584,730	6,987,956	3,596,774	34
123	Ministry of Housing, Construction and Water Supply	87,974,000	64,841,717	23,132,283	26	1,607,138	1,313,423	293,715	18	86,366,862	63,528,294	22,838,568	26
124	Ministry of Rural Development, Social Security and Community Empowerment	6,961,850	3,731,452	3,230,398	46	1,840,724	1,590,992	249,732	14	5,121,126	2,140,460	2,980,666	58
126	Ministry of Education, Higher Education and Vocational Education	172,683,822	141,969,045	30,714,777	18	118,220,323	104,861,606	13,358,718	11	54,463,499	37,107,439	17,356,060	32
130	Ministry of Public Administration, Provincial Councils and Local Government	30,394,458	17,244,381	13,150,077	43	3,992,200	2,611,195	1,381,004	35	26,402,258	14,633,185	11,769,073	45
135	Ministry Plantation and Community Infrastructure	16,288,065	11,661,750	4,626,315	28	4,958,112	4,713,195	244,917	5	11,329,953	6,948,555	4,381,397	39
149	Ministry of Industry and Entrepreneurship Development	14,652,520	9,240,579	5,411,941	37	4,581,120	4,291,776	289,344	6	10,071,400	4,948,803	5,122,597	51
151	Ministry of Fisheries, Aquatic and Ocean Resources	7,468,499	4,766,566	2,701,933	36	2,189,963	1,994,738	195,226	9	5,278,536	2,771,828	2,506,708	47
160	Ministry of Environment	3,803,962	3,204,628	599,334	16	2,789,532	2,568,175	221,357	8	1,014,430	636,454	377,976	37
171	Ministry of Women and Child Affairs	17,414,795	14,533,949	2,880,845	17	16,400,000	14,053,645	2,346,355	14	1,014,795	480,304	534,491	53
186	Ministry of Digital Economy	12,103,000	7,686,425	4,416,575	36	4,752,000	2,571,287	2,180,713	46	7,351,000	5,115,138	2,235,862	30
189	Ministry of Public Security and Parliamentary Affairs	19,691,745	17,371,407	2,320,338	12	16,898,526	15,882,886	1,015,639	6	2,793,219	1,488,520	1,304,699	47
193	Ministry of Labour	428,000	347,782	80,218	19	367,500	305,096	62,404	17	60,500	42,686	17,814	29
194	Ministry of Youth Affairs and Sports	7,086,500	4,997,311	2,089,189	29	4,446,500	3,706,869	739,631	17	2,640,000	1,290,442	1,349,558	51
196	Ministry of Science and Technology	5,750,000	4,372,713	1,377,287	24	2,777,000	2,594,019	182,981	7	2,973,000	1,778,694	1,194,306	40
201	Department of Buddhist Affairs	1,970,000	1,745,894	224,106	11	1,835,490	1,662,579	172,911	9	134,510	83,315	51,195	38
202	Department of Muslim Religious and Cultural Affairs	256,376	205,155	51,220	20	225,376	176,996	48,380	21	31,000	28,160	2,840	9
203	Department of Christian Religious Affairs	270,000	239,842	30,158	11	208,000	186,985	21,015	10	62,000	52,858	9,142	15
204	Department of Hindu Religious and Cultural Affairs	300,000	282,706	17,294	6	253,000	237,995	15,005	6	47,000	44,711	2,289	5
205	Department of Public Trustee	135,000	110,002	24,998	19	114,000	97,150	16,850	15	21,000	12,852	8,148	39
206	Department of Cultural Affairs	1,640,241	938,771	701,470	43	993,641	892,874	100,766	10	646,600	45,897	600,703	93
207	Department of Archaeology	2,835,984	2,400,161	435,823	15	2,168,700	2,113,525	55,175	3	667,284	286,636	380,648	57
208	Department of National Museums	780,163	696,171	83,992	11	431,000	388,982	42,018	10	349,163	307,189	41,974	12
209	Department of National Archives	1,803,802	507,812	1,295,990	72	291,274	230,351	60,923	21	1,512,528	277,461	1,235,066	82
210	Department of Information	539,000	487,089	51,911	10	373,000	333,019	39,981	11	166,000	154,070	11,930	7
211	Department of Government Printer	4,580,000	3,166,413	1,413,587	31	3,703,200	2,780,407	922,793	25	876,800	386,007	490,793	56

Rs.'000

Head	Institution	Total				Recurrent				Capital			
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
212	Department of Examinations	12,360,000	8,399,958	3,960,042	32	11,592,740	8,139,738	3,453,002	30	767,260	260,220	507,040	66
213	Department of Educational Publications	174,733	157,718	17,015	10	113,411	108,615	4,795	4	61,322	49,103	12,219	20
214	University Grants Commission	85,842,050	83,907,913	1,934,137	2	75,342,050	74,533,882	808,168	1	10,500,000	9,374,031	1,125,969	11
215	Department of Technical Education and Training	3,450,000	3,080,543	369,457	11	3,214,420	2,848,778	365,642	11	235,580	231,765	3,815	2
216	Department of Social Services	1,741,714	1,565,859	175,855	10	1,572,464	1,437,662	134,802	9	169,250	128,196	41,054	24
217	Department of Probation and Child Care Services	567,390	544,827	22,563	4	488,390	478,398	9,992	2	79,000	66,429	12,571	16
219	Department of Sports Development	5,530,000	3,077,401	2,452,599	44	2,670,000	1,577,416	1,092,584	41	2,860,000	1,499,985	1,360,015	48
220	Department of Ayurveda	5,175,000	3,560,119	1,614,881	31	4,187,000	3,024,556	1,162,444	28	988,000	535,563	452,437	46
221	Department of Labour	5,085,900	3,689,970	1,395,930	27	3,465,900	3,261,947	203,953	6	1,620,000	428,023	1,191,977	74
222	Sri Lanka Army	234,875,000	229,622,349	5,252,651	2	226,862,742	222,353,136	4,509,606	2	8,012,258	7,269,213	743,045	9
223	Sri Lanka Navy	91,963,000	84,114,629	7,848,371	9	73,610,000	72,094,316	1,515,684	2	18,353,000	12,020,313	6,332,687	35
224	Sri Lanka Air Force	65,422,990	58,224,226	7,198,764	11	50,784,000	47,224,417	3,559,583	7	14,638,990	10,999,809	3,639,181	25
225	Department of Police	142,300,000	130,723,724	11,576,276	8	132,920,000	123,724,650	9,195,350	7	9,380,000	6,999,074	2,380,926	25
226	Department of Immigration and Emigration	9,000,000	5,423,001	3,576,999	40	3,763,266	2,616,280	1,146,986	30	5,236,734	2,806,720	2,430,014	46
227	Department of Registration of Persons	4,520,000	2,509,569	2,010,431	44	2,000,000	1,851,401	148,599	7	2,520,000	658,169	1,861,831	74
228	Courts Administration	16,521,350	13,334,995	3,186,355	19	11,522,250	11,275,384	246,866	2	4,999,100	2,059,611	2,939,489	59
229	Department of Attorney General	2,070,000	1,884,448	185,552	9	2,005,000	1,860,034	144,966	7	65,000	24,414	40,586	62
230	Department of Legal Draftsman	240,500	193,087	47,413	20	220,500	174,198	46,302	21	20,000	18,889	1,111	6
231	Department of Debt Conciliation Board	105,200	77,922	27,278	26	100,050	73,819	26,231	26	5,150	4,102	1,048	20
232	Department of Prisons	20,415,000	16,943,198	3,471,802	17	15,773,000	14,691,709	1,081,291	7	4,642,000	2,251,489	2,390,511	51
233	Department of Government Analyst	989,800	961,483	28,317	3	734,750	718,611	16,139	2	255,050	242,872	12,178	5
234	Registrar of the Supreme Court	421,150	403,719	17,431	4	405,150	392,819	12,331	3	16,000	10,900	5,100	32
235	Department of Law Commission	28,000	25,195	2,805	10	24,800	22,728	2,072	8	3,200	2,468	732	23
236	Department of Official Languages	224,000	175,742	48,258	22	211,000	164,998	46,002	22	13,000	10,744	2,256	17
237	Department of National Planning	8,343,645	7,626,877	716,768	9	169,539	167,903	1,636	1	8,174,106	7,458,974	715,132	9
238	Department of Fiscal Policy	132,500	105,598	26,902	20	126,550	101,853	24,697	20	5,950	3,744	2,206	37
239	Department of External Resources	3,558,500	3,264,330	294,170	8	317,000	262,947	54,053	17	3,241,500	3,001,383	240,117	7
240	Department of National Budget	40,105,334	636,216	39,469,118	98	14,820,644	283,512	14,537,132	98	25,284,690	352,705	24,931,985	99
241	Department of Public Enterprises	114,239,125	110,607,343	3,631,782	3	1,966,125	1,956,236	9,889	1	112,273,000	108,651,107	3,621,893	3
242	Department of Management Services	167,956	164,484	3,471	2	155,206	153,118	2,088	1	12,750	11,367	1,383	11
243	Department of Development Finance	93,135,500	88,092,904	5,042,596	5	66,416,000	63,733,203	2,682,797	4	26,719,500	24,359,701	2,359,799	9
244	Department of Trade and Investment Policy	327,800	143,793	184,007	56	122,800	94,353	28,447	23	205,000	49,440	155,560	76
245	Department of Public Finance	532,250	210,073	322,177	61	119,250	105,164	14,086	12	413,000	104,909	308,091	75

Rs.'000

Head	Institution	Total				Recurrent				Capital			
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
246	Department of Inland Revenue	12,437,100	8,986,550	3,450,550	28	6,298,100	5,544,789	753,311	12	6,139,000	3,441,761	2,697,239	44
247	Sri Lanka Customs	6,549,589	4,479,857	2,069,732	32	4,719,040	4,137,880	581,160	12	1,830,549	341,976	1,488,572	81
248	Department of Excise	3,622,500	2,890,574	731,926	20	2,886,500	2,699,315	187,185	6	736,000	191,259	544,741	74
249	Department of Treasury Operations	4,613,349,000	3,923,505,428	689,843,572	15	2,994,837,000	2,504,381,364	490,455,636	16	1,618,512,000	1,419,124,064	199,387,936	12
250	Department of State Accounts	268,600	135,923	132,677	49	137,100	131,121	5,979	4	131,500	4,802	126,698	96
251	Department of Valuation	1,378,500	1,141,330	237,170	17	1,062,500	1,009,635	52,865	5	316,000	131,694	184,306	58
252	Department of Census and Statistics	3,695,957	2,696,711	999,246	27	1,475,063	1,412,248	62,815	4	2,220,894	1,284,463	936,431	42
253	Department of Pension	497,465,000	495,482,379	1,982,621	0	497,383,250	495,426,255	1,956,995	0	81,750	56,125	25,625	31
254	Department of Registrar General	5,241,000	4,705,170	535,830	10	4,309,000	4,206,305	102,695	2	932,000	498,865	433,135	46
255	District Secretariat - Colombo	2,715,000	2,512,074	202,926	7	2,249,000	2,145,918	103,082	5	466,000	366,156	99,844	21
256	District Secretariat - Gampaha	3,605,000	3,492,501	112,499	3	3,149,200	3,072,586	76,614	2	455,800	419,915	35,885	8
257	District Secretariat - Kalutara	3,100,000	2,913,961	186,039	6	2,536,820	2,497,643	39,177	2	563,180	416,318	146,862	26
258	District Secretariat - Kandy	3,960,000	3,860,352	99,648	3	3,655,000	3,583,756	71,244	2	305,000	276,595	28,405	9
259	District Secretariat -Matale	2,105,500	2,035,182	70,318	3	1,872,500	1,820,309	52,191	3	233,000	214,873	18,127	8
260	District Secretariat - Nuwara-Eliya	1,708,000	1,627,173	80,827	5	1,402,000	1,374,702	27,298	2	306,000	252,471	53,529	17
261	District Secretariat - Galle	4,188,000	4,043,074	144,926	3	3,601,000	3,535,125	65,875	2	587,000	507,949	79,051	13
262	District Secretariat - Matara	3,365,960	3,154,068	211,892	6	2,816,960	2,796,385	20,575	1	549,000	357,682	191,318	35
263	District Secretariat - Hambantota	2,769,500	2,475,815	293,685	11	2,108,500	2,085,432	23,068	1	661,000	390,383	270,617	41
264	District Secretariat/ Kachcheri - Jaffna	2,700,919	2,697,606	3,313	0	2,473,919	2,470,732	3,187	0	227,000	226,874	126	0
265	District Secretariat/ Kachcheri - Mannar	910,000	826,810	83,190	9	606,000	589,617	16,383	3	304,000	237,193	66,807	22
266	District Secretariat/ Kachcheri - Vavuniya	765,000	740,338	24,662	3	545,265	535,815	9,450	2	219,735	204,523	15,212	7
267	District Secretariat/ Kachcheri - Mullaitivu	831,550	820,317	11,233	1	631,100	625,292	5,808	1	200,450	195,025	5,425	3
268	District Secretariat/ Kachcheri - Killinochchi	869,000	849,713	19,287	2	629,000	610,388	18,612	3	240,000	239,325	675	0
269	District Secretariat/ Kachcheri - Batticaloa	2,376,000	2,325,842	50,158	2	2,148,000	2,117,014	30,986	1	228,000	208,828	19,172	8
270	District Secretariat, Ampara	2,959,680	2,840,473	119,207	4	2,630,680	2,558,861	71,819	3	329,000	281,612	47,388	14
271	District Secretariat/ Kachcheri - Trincomalee	1,329,000	1,308,052	20,948	2	1,094,115	1,080,268	13,847	1	234,885	227,784	7,101	3
272	District Secretariat - Kurunegala	5,546,900	5,430,494	116,406	2	5,238,300	5,131,268	107,032	2	308,600	299,226	9,374	3
273	District Secretariat - Puttalam	2,054,000	1,979,538	74,462	4	1,825,000	1,785,306	39,694	2	229,000	194,232	34,768	15
274	District Secretariat - Anuradhapura	2,859,000	2,769,997	89,003	3	2,477,000	2,414,907	62,093	3	382,000	355,090	26,910	7
275	District Secretariat - Polonnaruwa	1,488,000	1,389,788	98,212	7	1,123,800	1,050,621	73,179	7	364,200	339,166	25,034	7
276	District Secretariat - Badulla	2,526,000	2,437,254	88,746	4	2,139,875	2,065,535	74,340	3	386,125	371,719	14,406	4
277	District Secretariat - Monaragala	1,874,665	1,827,169	47,496	3	1,457,065	1,428,002	29,063	2	417,600	399,167	18,433	4
278	District Secretariat - Rathnapura	3,135,000	2,946,567	188,433	6	2,447,500	2,379,936	67,564	3	687,500	566,631	120,869	18

Rs.'000

Head	Institution	Total				Recurrent				Capital			
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
279	District Secretariat - Kegalle	3,409,000	3,251,758	157,242	5	2,792,000	2,741,381	50,619	2	617,000	510,376	106,624	17
280	Department of Project Management and Monitoring	140,000	125,431	14,569	10	103,000	99,598	3,402	3	37,000	25,833	11,167	30
281	Department of Agrarian Development	23,941,000	22,044,673	1,896,327	8	19,632,200	19,538,787	93,413	0	4,308,800	2,505,886	1,802,914	42
282	Department of Irrigation	24,218,766	18,086,518	6,132,248	25	4,816,566	4,717,483	99,083	2	19,402,200	13,369,034	6,033,166	31
283	Department of Forests	3,780,000	3,614,362	165,638	4	2,500,000	2,353,057	146,943	6	1,280,000	1,261,305	18,695	1
284	Department of Wildlife Conservation	5,730,000	4,799,054	930,946	16	5,324,000	4,420,622	903,378	17	406,000	378,433	27,567	7
285	Department of Agriculture	15,055,529	11,233,217	3,822,312	25	10,386,000	7,909,652	2,476,348	24	4,669,529	3,323,565	1,345,964	29
286	Department of Land Commissioner General	776,000	702,017	73,983	10	706,000	651,074	54,926	8	70,000	50,943	19,057	27
287	Department of Land Title Settlement	921,700	904,710	16,990	2	881,120	877,592	3,528	0	40,580	27,117	13,463	33
288	Department of Surveyor General of Sri Lanka	5,866,550	5,110,660	755,890	13	5,058,000	4,844,567	213,433	4	808,550	266,092	542,457	67
289	Department of Export Agriculture	2,722,000	2,008,347	713,653	26	1,101,000	1,026,076	74,924	7	1,621,000	982,271	638,729	39
290	Department of Fisheries and Aquatic Resources	4,389,557	2,949,951	1,439,606	33	4,189,491	2,832,864	1,356,628	32	200,066	117,087	82,979	41
291	Department of Coast Conservation and Coastal Resource Management	801,000	649,626	151,374	19	413,000	396,787	16,213	4	388,000	252,839	135,161	35
292	Department of Animal Production and Health	3,855,500	3,583,123	272,377	7	938,389	929,859	8,530	1	2,917,111	2,653,264	263,847	9
293	Department of Rubber Development	982,000	950,982	31,018	3	436,800	423,617	13,183	3	545,200	527,364	17,836	3
294	Department of National Zoological Gardens	951,000	866,767	84,233	9	784,000	771,742	12,258	2	167,000	95,025	71,975	43
295	Department of Commerce	331,000	188,102	142,898	43	301,000	168,794	132,206	44	30,000	19,308	10,692	36
296	Department of Import and Export Control	297,952	269,991	27,961	9	186,545	162,467	24,078	13	111,407	107,523	3,884	3
297	Department of Registrar of Companies	111,000	107,482	3,518	3	111,000	107,482	3,518	3	-	-	-	
298	Department of Measurement Units, Standards and Services	232,800	215,611	17,189	7	232,800	215,611	17,189	7	-	-	-	
299	National Intellectual Property Office of Sri Lanka	84,200	72,649	11,551	14	84,200	72,649	11,551	14	-	-	-	
300	Department of Food Commissioner	317,000	83,036	233,964	74	112,000	69,052	42,948	38	205,000	13,984	191,016	93
301	Department of Co-operative Development (Registrar of Co-operative Societies)	214,100	148,076	66,024	31	88,000	75,172	12,828	15	126,100	72,904	53,196	42
302	Co-operative Employees Commission	26,900	22,802	4,098	15	25,785	21,884	3,901	15	1,115	918	197	18
303	Department of Textile Industries	428,000	397,228	30,772	7	360,300	331,801	28,499	8	67,700	65,427	2,273	3
304	Department of Meteorology	1,533,200	627,775	905,425	59	500,350	491,411	8,939	2	1,032,850	136,364	896,486	87
306	Department of Sri Lanka Railways	60,457,200	47,176,317	13,280,883	22	31,378,000	28,242,088	3,135,912	10	29,079,200	18,934,229	10,144,971	35

Rs.'000

Head	Institution	Total				Recurrent				Capital			
		Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%	Provision	Expenditure	Savings	%
307	Department of Motor Traffic	5,069,000	2,384,219	2,684,781	53	3,614,000	1,433,447	2,180,553	60	1,455,000	950,772	504,228	35
308	Department of Posts	23,918,000	22,286,978	1,631,022	7	21,823,000	20,810,066	1,012,934	5	2,095,000	1,476,912	618,088	30
309	Department of Buildings	715,000	702,068	12,932	2	638,000	625,216	12,784	2	77,000	76,853	147	0
310	Department of Government Factories	290,000	263,232	26,768	9	214,500	198,044	16,456	8	75,500	65,188	10,312	14
311	Department of National Physical Planning	264,000	200,955	63,045	24	219,693	184,531	35,162	16	44,307	16,423	27,883	63
312	Western Provincial Council	84,581,000	82,331,850	2,249,150	3	76,734,000	75,082,240	1,651,760	2	7,847,000	7,249,610	597,390	8
313	Central Provincial Council	70,460,000	67,669,234	2,790,766	4	60,997,000	59,750,300	1,246,700	2	9,463,000	7,918,934	1,544,066	16
314	Southern Provincial Council	70,150,550	68,380,974	1,769,576	3	61,517,000	61,016,650	500,350	1	8,633,550	7,364,324	1,269,226	15
315	Northern Provincial Council	53,288,570	52,719,870	568,700	1	43,564,990	43,353,990	211,000	0	9,723,580	9,365,880	357,700	4
316	North Western Provincial Council	66,617,000	65,507,620	1,109,380	2	58,283,000	57,690,370	592,630	1	8,334,000	7,817,250	516,750	6
317	North Central Provincial Council	45,485,420	41,961,680	3,523,740	8	36,489,000	35,201,160	1,287,840	4	8,996,420	6,760,520	2,235,900	25
318	Uva Provincial Council	51,097,000	47,897,660	3,199,340	6	42,142,000	41,687,960	454,040	1	8,955,000	6,209,700	2,745,300	31
319	Sabaragamuwa Provincial Council	59,818,000	51,054,830	8,763,170	15	50,607,000	46,994,710	3,612,290	7	9,211,000	4,060,120	5,150,880	56
320	Department of Civil Security	23,746,000	23,520,376	225,624	1	23,588,900	23,452,513	136,387	1	157,100	67,863	89,237	57
321	Eastern Provincial Council	60,053,000	57,310,900	2,742,100	5	51,303,000	49,490,000	1,813,000	4	8,750,000	7,820,900	929,100	11
322	Department of National Botanical Gardens	1,112,000	915,982	196,018	18	833,286	785,625	47,661	6	278,714	130,357	148,357	53
323	Department of Legal Affairs	28,750	23,311	5,439	19	26,250	23,016	3,234	12	2,500	294	2,206	88
324	Department of Management Audit	93,702	69,578	24,124	26	72,395	63,684	8,711	12	21,307	5,894	15,413	72
325	Department of Sri Lanka Coast Guard	642,000	590,102	51,898	8	392,000	341,543	50,457	13	250,000	248,559	1,441	1
326	Department of Community Based Corrections	827,000	813,550	13,450	2	803,000	791,430	11,570	1	24,000	22,120	1,880	8
327	Department of Land Use Policy Planning	681,000	657,553	23,447	3	608,000	588,066	19,934	3	73,000	69,487	3,513	5
328	Department of Manpower and Employment	652,000	646,736	5,264	1	626,000	621,692	4,308	1	26,000	25,044	956	4
329	Department of Information Technology Management	574,370	187,224	387,146	67	382,370	181,353	201,017	53	192,000	5,871	186,129	97
331	Department of Samurdhi Development	23,024,095	22,704,890	319,205	1	21,906,095	21,781,502	124,593	1	1,118,000	923,388	194,612	17
332	Department of National Community Water Supply	3,289,000	1,627,605	1,661,395	51	570,000	499,920	70,080	12	2,719,000	1,127,685	1,591,315	59
333	Comptroller General's Office	64,500	56,670	7,830	12	60,886	53,689	7,198	12	3,614	2,982	632	17
335	National Education Commission	80,000	61,870	18,130	23	70,000	59,949	10,051	14	10,000	1,921	8,079	81
336	Merchant Shipping Secretariat	191,000	149,938	41,062	21	162,800	146,878	15,922	10	28,200	3,060	25,140	89
337	Department of Cinnamon Industry Development	547,000	316,060	230,940	42	141,000	126,641	14,359	10	406,000	189,419	216,581	53
338	Public Debt Management Office	225,000	95,637	129,363	57	100,000	71,875	28,125	28	125,000	23,762	101,238	81
Total		**8,877,705,330**	**7,697,950,980**	**1,179,754,350**		**5,921,618,331**	**5,263,009,984**	**658,608,348**		**2,956,086,999**	**2,434,940,996**	**521,146,003**	

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS - AS AT 31.12.2025

Rs.

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
1	His Excellency the President	-	5,354,230	-	91,625,418	-	96,979,648
2	Office of the Prime Minister	-	18,852,946	-	5,444,005	-	24,296,951
4	Judges of the Superior Courts	-	948,665			-	948,665
5	Office of the Cabinet of Ministers	-	7,209,819			-	7,209,819
6	Office of the Public Service Commission	15,466,225	1,516,661			15,466,225	1,516,661
7	Judicial Service Commission	582,581	873,932	36,158	-	618,739	873,932
8	National Police Commission	-	690,441			-	690,441
9	Administrative Appeals Tribunal					-	-
10	Commission to Investigate Allegations of Bribery or Corruption					-	-
11	Office of the Finance Commission	-	1,484,039			-	1,484,039
13	Human Rights Commission of Sri Lanka	-	2,495,368	-	75,070	-	2,570,438
16	Parliament	-	8,901,681	-	840,865	-	9,742,546
17	Office of the Leader of the House of Parliament	-	42,713			-	42,713
18	Office of the Chief Govt. Whip of Parliament	-	148,441			-	148,441
19	Office of the Leader of the Opposition of Parliament					-	-
20	Election Commission	-	11,656,359			-	11,656,359
21	National Audit Office	4,829,630	-			4,829,630	-
22	Office of the Parliamentary Commissioner for Administration	265,222	-			265,222	-
23	Audit Service Commission	-	254,052			-	254,052
24	National Procurement Commission	-	523,071			-	523,071
25	Delimitation Commission	-	10,262			-	10,262
101	Ministry of Buddha Sasana, Religious and Cultural Affairs	280,000	41,681,558	-	104,886,935	280,000	146,568,493
102	Ministry of Finance, Planning and Economic Development	-	3,071,186			-	3,071,186
103	Ministry of Defence	-	91,926,962	5,166,259	200,586,643	5,166,259	292,513,605
110	Ministry of Justice and National Integration	-	280,600			-	280,600
111	Ministry of Health and Mass Media	4,925,742,670	3,869,755,725	271,046,816	1,144,829,987	5,196,789,486	5,014,585,713
112	Ministry of Foreign Affairs, Foreign Employment and Tourism	-	233,809,900	-	80,689,650	-	314,499,549
116	Ministry of Trade, Commerce, Food Security and Co-operative Development	-	2,332,561			-	2,332,561
117	Ministry of Transport, Highways and Urban Development	-	16,685,181	6,542,629,113	5,410,438,904	6,542,629,113	5,427,124,085

Rs.

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
118	Ministry of Agriculture, Livestock, Land and Irrigation	48,251,219	68,233,545	1,674,979,287	2,527,969,818	1,723,230,507	2,596,203,363
119	Ministry of Energy	-	3,031,205	-	68,068,113	-	71,099,318
123	Ministry of Housing, Construction and Water Supply	-	22,118,138	-	942,706,320	-	964,824,458
124	Ministry of Rural Development, Social Security and Community Empowerment	-	827,049	-	44,946,683	-	45,773,731
126	Ministry of Education, Higher Education and Vocational Education	616,913,444	2,757,642,436	8,248,405	2,817,893,801	625,161,849	5,575,536,237
130	Ministry of Public Administration, Provincial Councils and Local Government	1,430,000	21,185,638	966,515,336	90,179,877	967,945,336	111,365,515
135	Ministry Plantation and Community Infrastructure	-	616,237	45,566,131	29,131,798	45,566,131	29,748,035
149	Ministry of Industry and Entrepreneurship Development	-	11,611,345	-	6,333,149	-	17,944,494
151	Ministry of Fisheries, Aquatic and Ocean Resources			-	10,442,656	-	10,442,656
160	Ministry of Environment	-	3,727,737	-	64,394	-	3,792,131
171	Ministry of Women and Child Affairs	-	6,023,007	42,550,670	-	42,550,670	6,023,007
186	Ministry of Digital Economy	-	35,102,615	-	185,555,608	-	220,658,224
189	Ministry of Public Security and Parliamentary Affairs	-	35,891,510	-	4,298,825	-	40,190,334
193	Ministry of Labour	-	951,947	-	2,256,844	-	3,208,791
194	Ministry of Youth Affairs and Sports	20,175,377	516,921	157,339	-	20,332,715	516,921
196	Ministry of Science and Technology	-	1,686,667	-	1,781	-	1,688,448
201	Department of Buddhist Affairs	-	1,540,571	6,600,194	30,000	6,600,194	1,570,571
202	Department of Muslim Religious and Cultural Affairs	-	1,698,587			-	1,698,587
203	Department of Christian Religious Affairs	-	235,478	-	2,300,673	-	2,536,151
204	Department of Hindu Religious and Cultural Affairs	-	1,037,414			-	1,037,414
205	Department of Public Trustee	-	512,099	-	22,500	-	534,599
206	Department of Cultural Affairs	-	7,663,133	-	209,095	-	7,872,228
207	Department of Archaeology	-	10,524,287	18,980,521	82,136,165	18,980,521	92,660,452
208	Department of National Museums					-	-
209	Department of National Archives	-	4,558,639			-	4,558,639
210	Department of Information	-	7,715,091	-	10,000	-	7,725,091
211	Department of Government Printer	-	41,329,870	-	79,036,670	-	120,366,540
212	Department of Examinations	214,179,911	8,708,753	107,830,222	-	322,010,133	8,708,753
213	Department of Educational Publications	122,003	-	4,840,897	-	4,962,900	-
214	University Grants Commission					-	-
215	Department of Technical Education and Training	-	19,482,743	-	213,856	-	19,696,599
216	Department of Social Services	-	8,923,441	-	554,353	-	9,477,795
217	Department of Probation and Child Care Services	-	201,363			-	201,363
219	Department of Sports Development	-	1,750	-	11,317,706	-	11,319,456

Rs.

Head	Ministry/Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
220	Department of Ayurveda	-	40,012,685	6,055,775	3,299,317	6,055,775	43,312,003
221	Department of Labour	-	25,789,673	-	27,334,860	-	53,124,533
222	Sri Lanka Army	-	338,130,352	-	33,080,716	-	371,211,068
223	Sri Lanka Navy	63,399,512	744,715,080	328,069,263	924,982,839	391,468,775	1,669,697,920
224	Sri Lanka Air Force	-	934,269,558	-	825,385,396	-	1,759,654,954
225	Department of Police					-	-
226	Department of Immigration and Emigration	-	9,069,834	-	7,906,824	-	16,976,658
227	Department of Registration of Persons	27,089,435	-	3,469,777	-	30,559,212	-
228	Courts Administration	-	101,630			-	101,630
229	Department of Attorney General	1,426,943	-	460,000	-	1,886,943	-
230	Department of Legal Draftsman	2,084,011	-			2,084,011	-
231	Department of Debt Conciliation Board	-	100,215			-	100,215
232	Department of Prisons	1,008,855	658,125,779	124,865	38,667,076	1,133,720	696,792,855
233	Department of Government Analyst	-	2,144,219	-	6,023,760	-	8,167,979
234	Registrar of the Supreme Court	-	271,926			-	271,926
235	Department of Law Commission	85,550	71,055			85,550	71,055
236	Department of Official Languages	-	4,648,269			-	4,648,269
237	Department of National Planning	-	1,074,155	-	18,807,683	-	19,881,837
238	Department of Fiscal Policy	-	949,234			-	949,234
239	Department of External Resources	-	1,570,783	-	15,000	-	1,585,783
240	Department of National Budget	-	901,239	-	30,000	-	931,239
241	Department of Public Enterprises	-	2,706,709	-	513,136	-	3,219,845
242	Department of Management Services	-	288,298			-	288,298
243	Department of Development Finance	-	75,020,773			-	75,020,773
244	Department of Trade and Investment Policy	-	439,271	-	1,473,556	-	1,912,828
245	Department of Public Finance	-	563,368			-	563,368
246	Department of Inland Revenue	-	176,421,106	-	339,486,004	-	515,907,110
247	Sri Lanka Customs	-	60,524,926	-	4,453,778	-	64,978,705
248	Department of Excise	-	37,566,258	-	64,598,744	-	102,165,002
249	Department of Treasury Operations	-	238,674			-	238,674
250	Department of State Accounts	-	1,311,339			-	1,311,339
251	Department of Valuation					-	-
252	Department of Census and Statistics	-	9,402,833	-	5,445,888	-	14,848,721
253	Department of Pension	-	751,065			-	751,065
254	Department of Registrar General	-	32,120,377	3,254,154	-	3,254,154	32,120,377
255	District Secretariat - Colombo	-	10,102,047	-	24,000	-	10,126,047

Schedule IV - STATEMENT OF LIABILITIES AND COMMITMENTS - AS AT 31.12.2025

Rs.

Head	Ministry/ Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
256	District Secretariat - Gampaha	-	5,532,298			-	5,532,298
257	District Secretariat - Kalutara					-	-
258	District Secretariat - Kandy	-	1,438,572			-	1,438,572
259	District Secretariat -Matale	-	242,393			-	242,393
260	District Secretariat - Nuwara-Eliya	-	3,410,551			-	3,410,551
261	District Secretariat - Galle	-	2,711,455	18,614,153	-	18,614,153	2,711,455
262	District Secretariat - Matara	-	400,304	75,738,236	12,240	75,738,236	412,544
263	District Secretariat - Hambantota	-	5,228,889			-	5,228,889
264	District Secretariat/ Kachcheri - Jaffna					-	-
265	District Secretariat/ Kachcheri - Mannar			-	629,939	-	629,939
266	District Secretariat/ Kachcheri - Vavuniya	-	786,113			-	786,113
267	District Secretariat/ Kachcheri - Mullaitivu					-	-
268	District Secretariat/ Kachcheri - Killinochchi					-	-
269	District Secretariat/ Kachcheri - Batticaloa					-	-
270	District Secretariat, Ampara					-	-
271	District Secretariat/ Kachcheri - Trincomalee	-	1,208,991			-	1,208,991
272	District Secretariat - Kurunegala	-	912,761			-	912,761
273	District Secretariat - Puttalam	-	723,661	-	1,427,374	-	2,151,036
274	District Secretariat - Anuradhapura	-	225,687			-	225,687
275	District Secretariat - Polonnaruwa	-	-			-	-
276	District Secretariat - Badulla					-	-
277	District Secretariat - Monaragala					-	-
278	District Secretariat - Rathnapura			-	4,447,448	-	4,447,448
279	District Secretariat - Kegalle	-	365,487	-	11,737,275	-	12,102,762
280	Department of Project Management and Monitoring	-	1,869,301	-	1,032,100	-	2,901,401
281	Department of Agrarian Development	11,268,358	6,465,376	622,516,844	363,482,950	633,785,202	369,948,326
282	Department of Irrigation	-	52,671	-	52,900,288	-	52,952,959
283	Department of Forests					-	-
284	Department of Wildlife Conservation	11,744,267	-	8,433,014	-	20,177,281	-
285	Department of Agriculture	-	2,999,776	436,835,830	55,780,366	436,835,830	58,780,142
286	Department of Land Commissioner General	-	6,683,593	-	110,140	-	6,793,733
287	Department of Land Title Settlement	-	579,403			-	579,403
288	Department of Surveyor General of Sri Lanka	2,765,690	21,766,879	20,503,738	9,975,297	23,269,428	31,742,176
289	Department of Export Agriculture	-	1,329,077	-	1,093,274	-	2,422,351

Rs.

Head	Ministry/ Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
290	Department of Fisheries and Aquatic Resources	-	5,304,972	-	1,853,733	-	7,158,705
291	Department of Coast Conservation and Coastal Resource Management					-	-
292	Department of Animal Production and Health	-	4,140,719	-	10,744,152	-	14,884,871
293	Department of Rubber Development	1,058,065	693,722	25,084	2,356,530	1,083,148	3,050,252
294	Department of National Zoological Gardens	-	12,785	-	544,023	-	556,808
295	Department of Commerce	-	190,293			-	190,293
296	Department of Import and Export Control	-	923,789			-	923,789
297	Department of Registrar of Companies					-	-
298	Department of Measurement Units, Standards and Services					-	-
299	National Intellectual Property Office of Sri Lanka					-	-
300	Department of Food Commissioner	-	2,494,985			-	2,494,985
301	Department of Co-operative Development (Registrar of Co-operative Societies)	-	573,616			-	573,616
302	Co-operative Employees Commission	-	15,135			-	15,135
303	Department of Textile Industries	-	137,518			-	137,518
304	Department of Meteorology			-	1,818,066	-	1,818,066
306	Department of Sri Lanka Railways	-	60,159,509	-	445,569,398	-	505,728,907
307	Department of Motor Traffic	-	13,095,049	-	663,097	-	13,758,147
308	Department of Posts	20,482,894	206,681,052	29,287,967	189,555,365	49,770,861	396,236,417
309	Department of Buildings	-	1,204,611			-	1,204,611
310	Department of Government Factories					-	-
311	Department of National Physical Planning	-	178,510	-	6,726,000	-	6,904,510
312	Western Provincial Council					-	-
313	Central Provincial Council					-	-
314	Southern Provincial Council					-	-
315	Northern Provincial Council					-	-
316	North Western Provincial Council					-	-
317	North Central Provincial Council					-	-
318	Uva Provincial Council					-	-
319	Sabaragamuwa Provincial Council					-	-
320	Department of Civil Security	60,784,087	3,705,971	10,514,907	1,200,062	71,298,994	4,906,033
321	Eastern Provincial Council					-	-
322	Department of National Botanical Gardens	-	6,002,707			-	6,002,707
323	Department of Legal Affairs	-	28,917			-	28,917
324	Department of Management Audit	-	752,969			-	752,969

Rs.

Head	Ministry/ Department	Recurrent		Capital		Total	
		Commitment Balance	Liability Balance	Commitment Balance	Liability Balance	Commitment Balance	Liability Balance
325	Department of Sri Lanka Coast Guard					-	-
326	Department of Community Based Corrections	-	132,696			-	132,696
327	Department of Land Use Policy Planning	-	1,705,723			-	1,705,723
328	Department of Manpower and Employment	-	453,903			-	453,903
329	Department of Information Technology Management	-	1,690,469	-	231,280	-	1,921,749
331	Department of Samurdhi Development	-	10,776,137	-	32,856,963	-	43,633,099
332	Department of National Community Water Supply	-	472,024	-	5,333,100	-	5,805,124
333	Comptroller General's Office	-	93,596			-	93,596
335	National Education Commission					-	-
336	Merchant Shipping Secretariat					-	-
337	Department of Cinnamon Industry Development	-	114,280	-	6,653,600	-	6,767,880
338	Public Debt Management Office	-	1,064,643			-	1,064,643
	Total	**6,051,435,951**	**10,960,941,839**	**11,259,050,953**	**17,455,360,798**	**17,310,486,904**	**28,416,302,637**

Schedule V

STATEMENT OF PROVINCIAL COUNCILS REVENUE AND EXPENDITURE REPORT - 2025

Rs.

Category	Province									Total
	Western	Central	Southern	Northern	North Western	North Central	Uva	Sabaragamuwa	Eastern	
Total Revenue	**60,699,335,687**	**9,138,069,000**	**18,844,251,441**	**5,844,352,952**	**12,952,922,601**	**4,847,797,645**	**4,383,924,139**	**6,543,307,000**	**4,619,434,000**	**127,873,394,465**
Recurrent Expenditure	106,928,601,042	63,078,744,669	62,356,981,750	41,731,893,229	64,775,937,232	38,208,846,012	43,505,664,209	46,994,710,000	51,415,020,416	**518,996,398,560**
Capital Expenditure	13,530,105,105	637,527,294	6,344,342,314	9,603,406,993	7,771,692,848	7,502,848,531	3,481,401,454	4,060,120,000	7,095,487,083	**60,026,931,621**
Total Expenditure	**120,458,706,147**	**63,716,271,963**	**68,701,324,064**	**51,335,300,222**	**72,547,630,080**	**45,711,694,542**	**46,987,065,663**	**51,054,830,000**	**58,510,507,499**	**579,023,330,181**

Schedule VI

STATEMENT OF ASSETS GENERATED THROUGH FOREIGN LOANS DISBURSED DURING THE YEAR 2025

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Total Expenditure for the Year 2025	Loans Provided for Expenditures of Capital Nature and the Related Expenditures to be Capitalized in the year 2025		Loans Provided for Projects which are Non-Capitalised Nature / Programme Loans/Loans Provided but not Expended yet by Provincial Councils, in the year 2025
				Capitalized	Not Capitalized Yet / WIP	
			Rs.	Rs.	Rs.	Rs.
Ministry of Defence	Reduction of Landslide Vulnerability by mitigation Measures Project	103-2-19-6-2509-0/12	3,556,414,180	3,556,414,180		
	Water Supply and Sanitation Improvement Project (GOSL-WB)	123-2-22-1-2104-0/12	760,976,049	760,976,049		
	Jaffna - Kilinochchi Water Supply Project (Additional Financing)	123-2-24-3-2104-0/12	4,742,215,686		4,742,215,686	
	Anuradhaura North Water Supply Project Phase 1	123-2-24-4-2104-0/12	380,839,308	380,839,308		
	Greater Colombo Water & Waste Water Mgt. Improvement Investment Project 02	123-2-24-5-2104-0/12	19,999,999		19,999,999	
Ministry of Housing, Construction and Water Supply	Gr. Ruwanwella Water Supply Project	123-2-24-9-2104-0/12	372,117,773		372,117,773	
	Anuradhaura North Water Supply Project Phase 11	123-2-24-11-2104-0/12	7,781,681		7,781,681	
	Kaluganga Water Supply Expansion Project	123-2-24-12-2104-0/12	89,770,352		89,770,352	
	Kandy City Waste Water Management Project	123-2-25-1-2104-0/12	213,478,291		213,478,291	
	Ratmalana Moratuwa Waste Water Disposal Project Phase 2	123-2-25-2-2201-0/12	144,654,822		144,654,822	
	Development of Strategic Cities Anuradhapura	123-2-7-20-2506-0/12	3,513			3,513
	Light Rail Transit Project	123-2-7-44-2104-0/12	80,705			80,705
	Urban Regeneration Programme	123-2-7-29-2104-0/12	2,992,831,616		2,992,831,616	
Ministry of Rural Development ,Social security and Community Empowerment	Social Protection Project	124-2-5-2-2202-0/12	21,739,406	4,157,423		17,581,983
Ministry of Plantation and Community Infrastructure	Agriculture Sector Modernization Project	135-2-3-17-7-2202-0/12	159,146,502			159,146,502

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Total Expenditure for the Year 2025	Loans Provided for Expenditures of Capital Nature and the Related Expenditures to be Capitalized in the year 2025		Loans Provided for Projects which are Non-Capitalised Nature / Programme Loans/Loans Provided but not Expended yet by Provincial Councils, in the year 2025
				Capitalized	Not Capitalized Yet / WIP	
			Rs.	Rs.	Rs.	Rs.
		126-2-7-41-2001-0/12	2,104,293			2,104,293
	Technical Education Development Programme	126-2-7-41-2104-0/12	374,272,301		374,272,301	
		126-2-7-41-2401-0/12	1,581,800			1,581,800
	Building Complex for the Faculty of Health Care Science Eastern University (Kuwait)	126- 2-10-9-2104-0/14	691,554,289		691,554,289	
	Wayaba University Township Development Project (Saudi)	126-2-10-10-2102-0/12	44,752,685	44,752,685		
		126-2-10-10-2104-0/12	1,234,018,635		1,234,018,635	
	Science and Technology Human Resource Development Project (ADB)	126-2-10-11-2102-0/12	6,791,297,299	6,791,297,299		
		126-2-10-11-2104-0/12	3,974,727,378		3,974,727,378	
		126-2-10-11-2401-0/12	16,702,682			16,702,682
Ministry of Education, Higher Education and Vocational Education		126-2-10- 11-2507-0/12	1,275,565,292			1,275,565,292
	Establishment of Faculty of Medicine At University of Sabaragamuwa - Phase II (Saudi)	126-2-10-20-2102-0/12	82,448,420	82,448,420		
		126-2-10-20-2104-0/12	4,082,665,476		4,082,665,476	
	General Education Modernization Project (National College of Education)	126-2-7-35-2102-0/12	80,204,116	80,204,116		
		126-2-7-35-2103-0/12	177,895,551	177,895,551		
		126-1-2-21-2509-0/12	32,500,000			32,500,000
		126-2-7-35-2401-0/12	165,731,799			165,731,799
		126-2-7-35-2509-50/12	259,704,190			259,704,190
		126-2-7-35-2509-99/12	2,503,493			2,503,493
	Greater Colombo Water and Waste Water Management Improvement Programme - Tranche 3 - EIB	130-2-21-5-2506-0/12	2,133,433,408	2,133,433,408		
Ministry of Public Administration, Provincial Councils and Local Government	Rural Infrastructure Development Project in Emerging Regions - (GOSL / JICA)	130-2-21-8-2202-0/12	108,356,313	108,356,313		
	Local Development Support Project	130-2-21-11-2504-0/12	1,234,715,956	1,234,715,956		
	Rural Bridges Project (GOSL/DRIVE-Netherland)	130-2-21-21-2506-0/12	790,590,236	790,590,236		

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Total Expenditure for the Year 2025	Loans Provided for Expenditures of Capital Nature and the Related Expenditures to be Capitalized in the year 2025		Loans Provided for Projects which are Non-Capitalised Nature / Programme Loans/Loans Provided but not Expended yet by Provincial Councils, in the year 2025
				Capitalized	Not Capitalized Yet / WIP	
			Rs.	Rs.	Rs.	Rs.
Ministry of Public Administration, Provincial Councils and Local Government	General Education Modernization Project	130-2-21-10-2504-0/12	11,246,774			11,246,774
Ministry of Finance, Planning and Economic Development	Financial Sector Safety Net Strengthening Project (FSSNP)	102-2-3-13-2509-0/12	9,141,402,704			9,141,402,704
	Welfare Benefits Board	102-1-2-40-1501-33-0/14	22,550,960,541			22,550,960,541
	Social Protection Project	102-1-2-41-2509-0/12	267,522,838	168,426,452		99,096,387
Ministry of Health and Mass Media	Primary Healthcare System Enhancing Project (PHSEP) - Central Government	111-2-12-2-2103-0/12	250,354,071		250,354,071	
		111-2-12-2-2401-0/12	6,818,397			6,818,397
		111-2-12-2-2509-0/12	172,890,371			172,890,371
		111-2-13-147-2001-0/12	244,242,267			244,242,267
	Health System Enhancement Project - (ADB)	111-2-13-147-2101-0/12	126,394,500		126,394,500	
		111-2-13-147-2103-0/12	240,146,785	240,146,785		
		111-2-13-147-2509-0/12	188,179,711			188,179,711
	Health and Medical Service Improvement Project (GOSL-JICA)	111-2-13-160-2104-0/12	39,492,670		39,492,670	
		111-2-13-178-2001-0/12	519,978,798			519,978,798
	Health System Enhancement Project - Additional Financing (ADB)	111-2-13-178-2101-0/12	430,000,000	430,000,000		
		111-2-13-178-2103-0/12	223,499,660	223,499,660		
		111-2-13-178-2509-0/12	177,993,266			177,993,266
	Helmut Khol Maternity Hospital Karapitiya, Galle (GOSL-Germany-Kfw)	111-2-13-68-2104-0/12	467,121,447		467,121,447	
	Uninterrupted Supply of Pharmaceuticals, Surgical & Laboratory Items	111-2-25-10-1204-0/12	7,204,492,049			7,204,492,049
	Digitalization of Terrestrial Television Broadcasting Project (GOSL/JICA)	111-2-28-4-2509-0/12	353,416,098			353,416,098
Ministry of Agriculture, Livestock, Land and Irrigation	Repairing & Procurement of Equipment for National Plant Quarantine Service (JICA)	118-2-3-41-2103-0/16	2,638,013	2,638,013		

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Total Expenditure for the Year 2025	Loans Provided for Expenditures of Capital Nature and the Related Expenditures to be Capitalized in the year 2025		Loans Provided for Projects which are Non-Capitalised Nature / Programme Loans/Loans Provided but not Expended yet by Provincial Councils, in the year 2025
				Capitalized	Not Capitalized Yet / WIP	
			Rs.	Rs.	Rs.	Rs.
Ministry of Agriculture, Livestock, Land and Irrigation	Integrated Urban Development and Climate Resilience Project	118-2-3-93-2509-0/12	14,270,129	7,483,914		6,786,215
	Mahaweli Water Security Investment Programme	118-2-34-5-2105-0/12	12,938,858,566		12,938,858,566	
	Integrated Watershed and Water Resources Management Project	118-2-34-7-2001-0/12	1,938,239,133		1,938,239,133	
	Climate Resilience Multiphase Programmatic Approach	118-2-34-8-2105-0/12	2,634,977,167	824,360,531		1,810,616,636
	Agriculture Sector Modernization Project Component 02	118-2-3-39-2507-0/12	1,551,998,992			1,551,998,992
	Climate Smart Irrigated Agriculture Project (CSIAP)	118-2-3-47-2105-0/12	4,181,771,631		4,181,771,631	
		118-2-3-47-2202-0/12	613,771,042		613,771,042	
	Smallholder Agribusiness Partnerships Programme	118-2-3-53-2202-0/12	956,580,159	83,977		956,496,182
		118-2-3-53-2302-0/12	1,022,966,399			1,022,966,399
	Stallholder Agribusiness and Resilience Project	118-2-3-66-2202-0/12	1,029,143,240	356,078,417	673,064,823	
	Development of Mini Dairy Cooperation Societies	118-2-3-56-2506-0/12	47,457,627			47,457,627
	Morgahakanda Kaluganga Development Project	118-2-34-3-2105-0/12	656,265,060		656,265,060	
Ministry of Energy	National Transmission and Distribution Network Development and Efficiency Improvement Project	119-2-3-32-2506-0/12	3,711,874,572		3,711,874,572	
	Colombo Suburban Railway Efficiency Improvement Project (Transport Project Preparatory Facility (GOSL/ADB)	117-2-26-4-2104-0/12	5,623,260,836	5,623,260,836		
Ministry of Transport, Highways, Ports and Civil Aviation	Transport Project Preparatory Facility	117-2-26-3-2104-0/12	36,566,489	36,566,489		
	Port Access Elevated Highway Project	117-2-29-3-2104-0/12	71,849,658		71,849,658	
	Extension of Western Breakwater - Colombo Port Phase II	117-2-29-5-2105-0/12	78,650,593		78,650,593	
	Port Access Elevated Highway Project	117-2-3-16-2104-0/12	3,871,730,890		3,871,730,890	

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Total Expenditure for the Year 2025	Loans Provided for Expenditures of Capital Nature and the Related Expenditures to be Capitalized in the year 2025		Loans Provided for Projects which are Non-Capitalised Nature / Programme Loans/Loans Provided but not Expended yet by Provincial Councils, in the year 2025
				Capitalized	Not Capitalized Yet / WIP	
			Rs.	Rs.	Rs.	Rs.
Ministry of Transport, Highways, Ports and Civil Aviation	Road Network Development Project (GOSL-SFD)	117-2-4-29-2104-0/12	113,416,598	-	113,416,598	
	Colombo District Road Development Project (GOSL-OFID)	117-2-4-32-2104-0/12	1,028,370,792	-	1,028,370,792	
	Western Province National Highways Project (GOSL-OFID)	117-2-4-40-2104-0/12	127,585,232	-	127,585,232	
	Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady	117-2-4-41-2104-0/12	322,860,678		322,860,678	
		117-2-4-41-2104-0/14	45,123,770		45,123,770	
	Rehabilitation of Peradeniya-Badulla Road from Badulla to Chenkalady	117-2-4-23-2104-0/12	2,136,706,069		2,136,706,069	
	Second Integrated Road Investment Progaramme (I Road) (GOSL-ADB)	117-2-4-64-2104-0/12	2,945,227,681		2,945,227,681	
	Second New Kelani Bridge Construction Project (GOSL-JICA)	117-2-6-21-2104-0/12	801,984,234	801,984,234		
	Inclusive Connectivity & Development Project	117-2-4-58-2104-0/12	9,628,235,109	1,812,850,970	7,815,384,139	
	Inclusive Connectivity & Development Project	117-2-4-58-2102-0/12	16,083,726	16,083,726		
	Rehabilitation of the A17 Road Corridor Project (Suriyakanda)	117-2-4-56-2104-0/14	8,600,000	-	8,600,000	
		117-2-4-56-2104-0/12	2,749,757,572	-	2,749,757,572	
	Project Name - Kandy Multimodal Transport Terminal Development Project	117-2-4-60-2104-0/12	4,170,878,868		4,170,878,868	
		117-2-4-60-2102-0/12	3,441,497	3,441,497		
Department of National Planning	Food Security and Livelihood Recovery Emergency Assistance Project	237-1-1-20-2102-0/12	12,354,196	12,354,196		
		237-1-1-20-2202-0/12	1,208,545,741			1,208,545,741
Department of Sri Lanka Railway	Upgradation of Railway Line from Maho to Omanthai under Indian Line of Credit	306-2-4-39-2104-0/12	4,052,753,989		4,052,753,989	
Department of Educational Publications	General Education Modernization Project	213-2-1-3-2509-0/12	14,198,990	14,198,990		
Eastern Provincial Council	General Education Modernization Project	321-2-2-9-2504-0/12	175,000,000	68,037,194		106,962,806
Sabaragamuwa Provincial Council	General Education Modernization Project	319-2-2-7-2504-0/12	175,000,000	24,757,907	60,498,046	89,744,047

Ministry / Department / Provincial Council	Project Name	Expenditure Vote with Finance Code	Total Expenditure for the Year 2025	Loans Provided for Expenditures of Capital Nature and the Related Expenditures to be Capitalized in the year 2025		Loans Provided for Projects which are Non-Capitalised Nature / Programme Loans/Loans Provided but not Expended yet by Provincial Councils, in the year 2025
				Capitalized	Not Capitalized Yet / WIP	
			Rs.	Rs.	Rs.	Rs.
Uva Provincial Council	General Education Modernization Project	318-2-2-7-2504-0/12	175,000,000	175,000,000		
North Central Provincial Council	General Education Modernization Project	317-2-2-8-2504-0/12	175,000,000	175,000,000		
North Western Provincial Council	General Education Modernization Project	316-2-2-7-2504-0/12	175,000,000	64,467,894		110,532,106
Northern Provincial Council	General Education Modernization Project	315-2-2-13-2504-0/12	175,000,000	33,747,260		141,252,740
Southern Provincial Council	General Education Modernization Project	314-2-2-6-2504-0/12	175,000,000	150,000,000		25,000,000
Central Provincial Council	General Education Modernization Project	313-2-2-9-2504-0/12	175,000,000	47,436,535		127,563,465
Western Provincial Council	General Education Modernization Project	312-2-2-6-2504-0/12	175,000,000	95,013,699		79,986,301
Sub Total			**151,579,523,380**	**27,553,000,119**	**74,136,690,393**	**49,889,832,868**
			Program /Budgetary Support Loans			
Secondary Education Sector Improvement Programme-Results-Based Lending						9,503,227,964
Sustainable Tourism Sector Development Programme - Sub Programme 1						21,605,871,000
Financial Sector Stability & Reforms Program - Sub Programme 3						30,884,790,000
Strengthening Macroeconomic Resilience & Transparency Programme - Subprogramme 1						30,882,680,000
Power Sector Reforms and Financial Sustainability Programme-Sub Programme 2						30,925,570,000
Sri Lanka's 2023 -26 Extended Fund Facility Arrangement						203,270,836,303
Rapid Financing Instrument Arrangement under Sri Lanka's 2023-2026 IMF EFF Programme						63,631,601,775
Social Protection Project						22,593,370,640
Second Resilience, Stability and Economic Turnaround Development Policy Operation						15,073,320,000
Anuradhapura North Water Supply Project						340,647,841
		Sub Total				**428,711,915,522**
		Grand Total		**27,553,000,119**	**74,136,690,393**	**478,601,748,391**

Source: * Details Provided by Ministries / Departments / Provincial Councils

BUDGET PERFORMANCE, CONSOLIDATED FUND & RECONCILIATIONS

Statement of Budget Performance & Deficit Financing
for the year ended 31st December 2025

	Note	Actual 2025 Rs.	Actual 2024 Rs.
REVENUE			
Tax Revenue		**5,049,191,657,608**	**3,704,576,939,908**
Income Tax	1	1,139,373,084,157	1,026,198,562,675
Taxes on Domestic Goods & Services	2	3,193,928,073,643	2,197,100,616,824
Taxes on International Trade	3	715,890,499,809	481,277,760,408
Non Tax Revenue & Others	4	**430,831,849,723**	**356,830,387,037**
TOTAL REVENUE (a)		**5,480,023,507,331**	**4,061,407,326,944**
Less : EXPENDITURE			
Salaries, Wages and Other Employment Benefits	5	786,334,810,170	722,524,073,477
Other Goods & Services	6	464,555,374,913	480,556,691,353
Subsidies, Grants and Transfers	7	1,510,744,338,226	1,477,766,527,047
Interest Payments	8	2,500,674,315,570	2,689,500,439,526
Other Recurrent Expenditure	9	701,144,704	162,545,479
Total Recurrent Expenditure (b)		**5,263,009,983,583**	**5,370,510,276,882**
REVENUE SURPLUS / (DEFICIT) (a) - (b)		**217,013,523,749**	**(1,309,102,949,937)**
Public Investments	10	**1,015,824,562,136**	**817,091,739,075**
BUDGET SURPLUS / (DEFICIT)		**(798,811,038,387)**	**(2,126,194,689,012)**
FINANCING THE BUDGET DEFICIT			
Foreign Borrowings	11	566,890,093,039	3,967,308,481,863
Foreign Debt Repayments		(424,481,543,530)	(3,634,067,681,728)
NET FOREIGN BORROWINGS		**142,408,549,509**	**333,240,800,136**
Foreign Grants	12	35,963,035,735	59,841,604,762
TOTAL FOREIGN FINANCING		**178,371,585,244**	**393,082,404,897**
Domestic Borrowings	13	1,480,585,470,000	2,853,612,273,223
Domestic Debt Repayments	14	(994,634,890,523)	(984,762,291,729)
NET DOMESTIC BORROWINGS		**485,950,579,477**	**1,868,849,981,494**
Domestic Grants	15	186,562,538	127,126,022
Recoveries from On-lending	16	23,188,712,190	27,841,380,590
Sale of Capital Assets		3,587,266,556	1,110,150,162
Net Change in Deposit Accounts and Liabilities		203,661,517,663	50,300,115,888
(Increase)/ Decrease in Cash & Cash Equivalents		(96,135,185,282)	(215,116,470,040)
TOTAL FINANCING		**(798,811,038,387)**	**(2,126,194,689,012)**

Notes to the Financial Statements

Total Budget Estimate 2025 Rs.	Revenue Code	Revenue Title	Actual Revenue 2025 Rs.	Actual Revenue 2024 Rs.
	NOTE - 1	**INCOME TAX**		
646,010,000,000	1004.01.01	Income Tax	668,209,003,077	579,176,493,741
12,000,000	1004.01.02	Dividend Tax	19,232,827	32,955,997
578,000,000	1004.01.03	Remittance Tax	1,416,268,080	3,075,035,288
646,600,000,000	**1004.01.00**	**Total Corporate Tax (a)**	**669,644,503,984**	**582,284,485,027**
198,000,000,000	**1004.02.01**	**PAYE**	**201,119,933,741**	**197,571,502,708**
96,000,000,000	**1004.02.99**	**Other**	**84,769,179,857**	**80,452,757,987**
175,000,000,000	**1004.03.00**	**Withholding Tax**	**175,792,470,660**	**163,789,686,013**
69,000,000,000	1004.03.01	On Interest	71,620,504,266	66,141,774,662
106,000,000,000	1004.03.99	On Fees & Other	104,171,966,394	97,647,911,351
-	**1004.04.00**	**Economic Service Charge**	**24,826,578**	**245,065,199**
-	1004.04.01	Domestic	24,822,911	44,037,053
-	1004.04.02	Imports	3,668	201,028,146
4,400,000,000	**1004.05.00**	**Capital Gain Tax**	**8,020,679,561**	**1,853,674,690**
-	**1004.06.00**	**Tax on Voluntary Disclosure**	**1,489,775**	**1,391,051**
473,400,000,000	**1004.02.00**	**Total Non-Corporate Tax (b)**	**469,728,580,173**	**443,914,077,649**
1,120,000,000,000		**Total Income Tax (a+b)**	**1,139,373,084,157**	**1,026,198,562,675**
	NOTE - 2	**TAXES ON DOMESTIC GOODS & SERVICES**		
1,670,000,000,000	**1002.01.00**	**Value Added Tax**	**1,746,874,446,361**	**1,309,679,826,747**
195,000,000,000	1002.01.01	Financial Services	198,247,229,373	120,393,649,236
378,000,000,000	1002.01.02	Other Services	377,287,189,190	352,861,218,004
277,000,000,000	1002.01.03	Manufacturing	279,950,209,034	238,932,076,102
820,000,000,000	1002.01.04	Imports	891,389,818,764	597,492,883,404
-	**1002.02.00**	**Goods and Services Tax**	**-**	**28**
	1002.02.03	Imports	-	28
-	**1002.03.00**	**National Security Levy**	**672,328**	**1,159,778**
-	1002.03.01	Services	22,328	1,159,778
-	1002.03.02	Manufacturing	650,000	-
226,000,000,000	**1002.04.00**	**Excise (Ordinance) Duty**	**231,541,851,691**	**213,389,597,989**
226,000,000,000	1002.04.01	Liquor	231,541,851,691	213,389,597,989
688,000,000,000	**1002.05.00**	**Excise (Special Provisions) Duty**	**825,619,702,180**	**383,945,271,639**
100,000,000,000	1002.05.01	Cigarettes	101,173,161,499	117,144,648,636
	1002.05.02	Liquor	5,675	-
180,000,000,000	1002.05.03	Petroleum Products	240,575,016,407	200,199,836,091

Notes to the Financial Statements

Total Budget Estimate 2025 Rs.	Revenue Code	Revenue Title	Actual Revenue 2025 Rs.	Actual Revenue 2024 Rs.
396,000,000,000	1002.05.04	Motor Vehicles	471,751,393,258	58,561,756,429
12,000,000,000	1002.05.99	Other	12,120,125,341	8,039,030,483
1,400,000,000	**1002.06.00**	**Tobacco Tax**	**1,545,090,769**	**1,193,923,369**
-	**1002.09.00**	**Turnover Tax**	**10,472,428**	**9,021,097**
15,000,000,000	**1002.11.00**	**Telecommunication Levy**	**15,126,973,500**	**15,927,326,277**
-	**1002.12.00**	**Nation Building Tax**	**488,116,174**	**137,242,041**
-	1002.12.01	Services	76,978,055	97,897,128
-	1002.12.02	Manufacturing	3,701,586	31,755,207
-	1002.12.03	Imports	407,436,533	7,589,706
115,000,000	**1002.13.00**	**Tele dramas, Films and Commercials Levy**	**98,719,800**	**123,750,000**
1,764,000,000	**1002.14.00**	**Cellular Tower Levy**	**1,633,487,634**	**1,685,680,675**
500,100,000	**1002.15.00**	**SMS Advertising Levy**	**394,186,867**	**598,153,711**
287,000,000,000	**1002.16.00**	**Social Security Contribution Levy**	**294,519,506,705**	**250,868,723,139**
141,000,000,000	1002.16.01	Services	143,532,078,905	121,505,412,941
76,000,000,000	1002.16.02	Manufacturing	78,373,722,276	64,971,136,298
70,000,000,000	1002.16.03	Imports	72,613,705,524	64,392,173,901
54,900,000,000	**1003.00.00**	**License Taxes and Other**	**69,848,431,521**	**15,956,994,909**
39,000,000,000	1003.01.00	Luxury Motor Vehicle Tax	52,151,151,397	3,011,256,714
9,500,000,000	1003.03.00	Betting & Gaming Levy	10,241,921,832	9,814,824,181
6,400,000,000	1003.04.00	Share Transaction Levy	7,455,358,291	3,130,914,014
4,920,440,000	**1003.07.00**	**Other Licenses**	**6,150,056,565**	**3,544,689,378**
3,000,000,000	1003.07.02	Registration Fees Relevant to the Department of Registrar General	3,179,238,020	2,616,551,539
122,000,000	1003.07.03	Private Timber Transport	150,494,109	112,137,869
18,000,000	1003.07.04	Tax on Sale of Motor Vehicles	18,900,878	24,747,500
78,210,000	1003.07.05	License Fees Relevant to the Ministry of Defence	73,027,342	80,360,013
152,230,000	1003.07.06	License Fees Relevant to the Dept. of Fisheries & Aquatic Resources	178,114,630	173,842,450
-	1003.07.09	Carbon Tax	1,908,957	3,824,348
1,400,000,000	1003.07.10	Vehicle Entitlement Levy	2,259,715,337	240,333,564
	1003.07.11	Debt Repayment Levy	19,670,278	52,182,756
150,000,000	1003.07.99	Other	268,987,014	240,709,339
5,000,000	**1003.08.00**	**Fees Under the Certificate to be Granted Yearly to Notary Registrar of the High Court**	**7,423,378**	**4,650,979**
48,000,000	**1003.10.00**	**Migrating Tax**	**67,044,767**	**33,981,314**
460,000	**1003.11.00**	**Remittance Fee**	**1,890,973**	**623,756**
2,949,653,000,000		**Total Taxes on Domestic Goods & Services**	**3,193,928,073,643**	**2,197,100,616,824**
	NOTE - 3	**TAXES ON INTERNATIONAL TRADE**		
240,000,000,000	**1001.01.00**	**Import Duties**	**275,894,024,151**	**111,146,555,476**
32,000,000	**1001.02.00**	**Export Duties**	**18,187,722**	**26,790,841**

Notes to the Financial Statements

Total Budget Estimate 2025 Rs.	Revenue Code	Revenue Title	Actual Revenue 2025 Rs.	Actual Revenue 2024 Rs.
3,315,000,000	**1001.03.00**	**Import & Export Licenses Fees**	**4,154,003,841**	**3,762,583,369**
177,000,000,000	**1001.04.00**	**Ports & Airports Development Levy**	**180,852,839,552**	**170,013,996,256**
90,000,000,000	**1001.05.00**	**Cess Levy**	**90,372,571,322**	**81,128,500,534**
87,700,000,000	1001.05.01	Import Cess Levy	88,728,423,922	79,133,032,048
2,300,000,000	1001.05.02	Export Cess Levy	1,644,147,400	1,995,468,486
-	**1001.06.00**	**Motor Vehicle Concessionary Levy**	**150,264**	-
145,000,000,000	**1001.08.00**	**Special Commodity Levy**	**164,598,722,958**	**115,199,333,932**
655,347,000,000		**Total Revenue from Taxes on International Trade**	**715,890,499,809**	**481,277,760,408**
4,725,000,000,000		**Total Tax Revenue**	**5,049,191,657,608**	**3,704,576,939,908**
	NOTE - 4	**NON-TAX REVENUE AND OTHERS**		
31,670,000,000	**2001.00.00**	**Revenue from Departmental Enterprises (a)**	**30,920,581,020**	**31,337,185,439**
18,000,000,000	2001.01.00	Railways	17,165,992,777	16,468,344,008
13,000,000,000	2001.02.00	Postal	13,455,552,475	14,100,680,904
520,000,000	2001.03.00	Stores Advance Accounts (Explosive Items)	150,000,000	650,000,000
150,000,000	2001.04.00	Prisons Industrial and Agricultural Advance Account	149,035,767	118,160,528
115,300,000,000	**2002.00.00**	**Return on Government Assets (b)**	**136,415,010,603**	**105,272,118,326**
6,700,000,000	**2002.01.00**	**Rent**	**7,843,447,888**	**6,428,066,074**
2,100,000,000	2002.01.01	Rent on Government Building & Housing	2,213,192,959	1,803,557,794
1,110,000,000	2002.01.02	Rent on Crown Forests	2,217,544,180	973,578,229
200,000,000	2002.01.03	Rent from Land and Other	272,469,434	148,383,339
2,290,000,000	2002.01.04	Lease Rental from Regional Plantation Companies	1,994,559,464	2,052,886,284
1,000,000,000	2002.01.99	Other Rental	1,145,681,850	1,449,660,427
58,600,000,000	**2002.02.00**	**Interest**	**72,028,384,571**	**57,763,627,787**
10,100,000,000	2002.02.01	On-Lending	10,190,546,787	9,820,803,204
48,500,000,000	2002.02.99	Other	61,837,837,784	47,942,824,584
37,405,000,000	**2002.03.00**	**Profits**	**47,332,367,849**	**33,190,901,922**
12,595,000,000	**2002.04.00**	**Dividends**	**9,210,810,294**	**7,889,522,543**
	2002.05.00	**Transferring Surplus Fund from Public Enterprises**		
172,800,000,000	**2003.00.00**	**Sale Proceeds & Charges (c)**	**197,584,230,750**	**171,309,278,845**
165,000,000	**2003.01.00**	**Departmental Sales**	**196,582,916**	**201,147,768**
114,008,000,000	**2003.02.00**	**Administrative Fees & Charges**	**136,325,375,989**	**114,134,827,218**
470,000,000	2003.02.01	Audit Fees	350,169,001	413,597,899
1,272,000,000	2003.02.03	Fees Under Registration of Persons	1,404,185,309	1,263,219,496
250,000,000	2003.02.04	Fees of Department of Survey	426,253,577	422,323,377
800,000,000	2003.02.05	Service Charges of Government Press	1,574,615,908	2,099,114,278
66,000,000	2003.02.06	Fees Under the Fauna & Flora Protection Ordinance	68,895,883	61,549,390

Notes to the Financial Statements

Total Budget Estimate 2025 Rs.	Revenue Code	Revenue Title	Actual Revenue 2025 Rs.	Actual Revenue 2024 Rs.
38,000,000,000	2003.02.07	Fees of Passports, Visas & Dual Citizenship	44,882,332,366	38,011,663,800
42,000,000,000	2003.02.08	Embarkation Levy	53,476,861,627	38,311,806,768
200,000,000	2003.02.09	Fees of Department of Valuation	265,654,059	414,063,725
440,000,000	2003.02.10	Fees of Registrar of Companies	260,957,775	217,480,931
183,000,000	2003.02.11	Legal Fees from Corporations & Statutory Bodies	238,757,152	183,403,504
63,000,000	2003.02.12	Fees Recovered Under the Public Contract Act	84,710,000	62,430,000
220,000,000	2003.02.13	Examinations & Other Fees	394,887,099	184,822,080
17,000,000,000	2003.02.14	Fees Under the Motor Traffic Act & Other Receipts	20,300,647,495	14,464,034,455
11,000,000	2003.02.15	Registration Fees on Motor Vehicle Transfers Under the Issuing Motor Vehicle Permits on Concessionary Terms	17,636,743	27,904,424
18,000,000	2003.02.16	Air craft Rentals	26,030,914	81,514,309
125,000,000	2003.02.17	Fee on Local Sale of Garments	102,698,517	121,416,728
900,000,000	2003.02.18	Fees Relevant to the Department of Agriculture	1,010,384,109	926,148,764
1,500,000,000	2003.02.19	Fees Relevant to the Botanical Gardens	1,393,554,057	1,366,415,878
2,400,000,000	2003.02.21	Fees Relevant to the Ministry of Petroleum Industries	2,137,599,304	3,158,283,029
220,000,000	2003.02.22	Merchant Shipping Secretariat Fees	215,198,244	224,984,808
500,000,000	2003.02.23	Casino Licence Fees	-	5,100,000,000
7,370,000,000	2003.02.99	Sundries	7,693,346,851	7,018,649,574
11,957,000,000	**2003.03.00**	**Fines and Forfeits**	**9,930,452,171**	**10,708,177,994**
8,500,000,000	2003.03.01	Fines and Forfeits - Customs	5,414,646,405	8,023,524,418
3,457,000,000	2003.03.02	Fines and Forfeits - Other	4,515,805,766	2,684,653,576
-	**2003.04.00**	**Public Officer's Motor Cycle Premium**	**(45,080)**	**333,509**
14,000,000,000	**2003.05.00**	**Treasury Bonds Premium**	**15,150,679,352**	**13,461,749,333**
2,800,000,000	**2003.06.00**	**Revenue from the United Nations' Peacekeeping Operations**	**1,498,096,454**	**3,116,892,806**
100,000,000	**2003.07.00**	**Programme for Purchasing of Paddy**	**68,273,002**	**86,430,015**
3,000,000,000	**2003.08.00**	**Sale of Hydro Power**	**1,871,714,601**	**3,927,236,127**
500,000,000	**2003.09.00**	**Revenue from Maritime Security Operations**	**59,658,553**	**-**
26,270,000,000	**2003.99.00**	**Other Receipts**	**32,483,442,793**	**25,672,484,075**
55,000,000,000	**2004.00.00**	**Social Security Contributions (d)**	**58,793,794,249**	**43,088,901,684**
36,000,000,000	2004.01.00	Central Government	36,286,077,947	27,012,731,240
19,000,000,000	2004.02.00	Provincial Councils	22,507,716,301	16,076,170,444
6,230,000,000	**2005.00.00**	**Current Transfers (e)**	**7,118,233,101**	**5,822,902,742**
6,230,000,000	2005.99.00	National Lotteries Board and Other Transfers	7,118,233,101	5,822,902,742
381,000,000,000		**Total Non - Tax Revenue & Other Revenue (a)+(b)+(c)+(d)+(e)**	**430,831,849,723**	**356,830,387,037**
5,106,000,000,000		**Total Revenue (Note 1 - 4)**	**5,480,023,507,331**	**4,061,407,326,944**

Notes to the Financial Statements

Total Budget Estimate 2025	Object Code	Object Title	Actual 2025 Rs	Actual 2024 Rs
	NOTE-5	**OBJECT CODE WISE CLASSIFICATION OF SALARIES, WAGES & OTHER EMPLOYMENT BENEFITS**		
		Personal Emoluments		
446,940,959,267	1001	Salaries and Wages	444,272,312,940	344,284,698,342
66,954,984,206	1002	Overtime and Holiday Payments	65,883,119,718	50,688,681,963
285,062,979,780	1003	Other Allowances	276,179,377,511	327,550,693,173
798,958,923,253		**Total**	**786,334,810,170**	**722,524,073,477**
	NOTE - 6	**OBJECT CODE WISE CLASSIFICATION OF OTHER GOODS AND SERVICES**		
		Travelling Expenditure		
6,899,684,446	1101	Domestic	5,510,855,052	7,309,072,203
1,866,836,552	1102	Foreign	1,224,983,079	1,408,987,517
8,766,520,998		**Total (a)**	**6,735,838,131**	**8,718,059,720**
		Supplies		
9,363,349,177	1201	Stationery and Office Requisites	7,268,981,091	7,663,852,946
44,500,031,259	1202	Fuel	37,903,593,410	60,055,796,295
142,089,126,374	1203	Diets and Uniforms	134,379,956,030	112,460,293,055
189,613,100,000	1204	Medical Supplies	151,503,392,967	146,821,429,745
14,564,246,171	1205	Other	9,372,605,277	8,332,023,989
400,129,852,980		**Total (b)**	**340,428,528,775**	**335,333,396,030**
		Maintenance Expenditure		
7,905,038,029	1301	Vehicles	6,976,264,897	6,754,070,166
5,038,279,678	1302	Plant and Machinery	3,548,177,971	3,364,146,263
3,483,768,872	1303	Buildings and Structures	2,874,336,210	2,430,379,804
1,594,627,456	1304	Software Maintenance	811,640,000	942,429,920
18,021,714,035		**Total (c)**	**14,210,419,077**	**13,491,026,153**
		Services		
8,914,684,418	1401	Transport	8,247,654,951	7,941,491,792
6,284,613,783	1402	Postal and Communication	5,189,236,407	4,746,979,888
29,671,216,638	1403	Electricity and Water	27,001,934,097	27,951,211,985
9,223,181,169	1404	Rents and Local Taxes	8,138,690,847	8,569,884,088
9,310,653,732	1405	Cleaning and Janitorial Services	8,633,173,783	6,427,201,084
73,190,000	1406	Interest Payment for Leased Vehicles	66,188,191	111,944,696
4,293,715,219	1407	Security Services	3,858,984,357	3,297,159,009
668,281,890	1408	Lease Rental for Vehicles Procured Under Operational Leasing	581,344,507	475,227,914
56,294,210,937	1409	Other	41,463,381,789	63,493,108,995
124,733,747,785		**Total (d)**	**103,180,588,930**	**123,014,209,450**
551,651,835,798		**TOTAL EXPENDITURE ON OTHER GOODS AND SERVICES (a+b+c+d)**	**464,555,374,913**	**480,556,691,353**
	NOTE - 7	**OBJECT CODE WISE CLASSIFICATION OF TRANSFERS, GRANTS & SUBSIDIES**		
		Transfers		
409,191,339,904	1501	Welfare Programmes	379,734,894,382	337,379,239,839
447,053,752,000	1502	Retirement Benefits	445,092,782,398	396,660,153,227
96,405,097,702	1503	Public Institutions	93,432,094,804	83,007,883,464
121,143,779,122	1504	Development Subsidies	114,253,981,219	111,665,562,444
3,236,234,317	1505	Subscriptions and Contributions Fee	3,066,257,037	3,142,935,363
2,050,983,713	1506	Property Loan Interest to Public Servants	1,413,619,393	1,691,263,759
449,636,990,000	1507	Grants to Provincial Councils	442,819,480,000	392,952,523,807
4,474,925,459	1508	Other	3,443,824,343	125,492,396,210
34,462,827,441	1509	Contribution to Contingencies Fund	27,487,404,652	25,774,568,934
1,567,655,929,657		**Total**	**1,510,744,338,226**	**1,477,766,527,047**
	NOTE - 8	**OBJECT CODE WISE CLASSIFICATION OF INTEREST PAYMENTS AND DISCOUNTS**		
1,689,700,000,000	1601	Domestic Debt	1,688,388,723,614	1,685,739,136,663
600,000,000,000	1602	Foreign Debt	342,518,239,894	400,416,548,586
700,000,000,000	1603	Discounts on Treasury Bills and Treasury Bonds	469,767,352,062	603,344,754,276
2,989,700,000,000		**Total**	**2,500,674,315,570**	**2,689,500,439,526**

Total Budget Estimate 2025	Object Code	Object Title	Actual 2025 Rs	Actual 2024 Rs
	NOTE - 9	**OBJECT CODE WISE CLASSIFICATION OF OTHER RECURRENT EXPENDITURE**		
657,054,614	1701	Losses and Write off	638,716,843	102,494,851
12,900,496,354	1702	Contingency Services	-	-
94,091,499	1703	Implementation of the Official Languages Policy	62,427,861	60,050,628
13,651,642,467		**Total**	**701,144,704**	**162,545,479**
5,921,618,331,175		**Grand Total (Notes 5 to 9) Total Recurrent Expenditure**	**5,263,009,983,583**	**5,370,510,276,882**
	NOTE - 10	**OBJECT CODE WISE CLASSIFICATION OF PUBLIC INVESTMENT**		
		Rehabilitation and Improvements of Capital Assets		
82,377,147,386	2001	Buildings and Structures	50,883,782,631	29,759,331,257
31,051,210,000	2002	Plant, Machinery and Equipment	22,502,063,689	19,562,077,535
15,152,061,880	2003	Vehicles	11,253,237,044	8,896,087,577
128,580,419,266		**Total (a)**	**84,639,083,364**	**58,217,496,370**
		Acquisition of Capital Assets		
18,418,689,303	2101	Vehicles	8,918,677,354	9,991,663,373
24,437,962,569	2102	Furniture and Office Equipment	14,418,266,448	7,108,198,533
52,565,977,555	2103	Plant, Machinery and Equipment	26,800,713,972	21,224,586,975
327,249,667,487	2104	Buildings and Structures	261,470,099,878	228,105,595,283
89,308,657,033	2105	Lands and Land Improvements	58,800,924,647	70,049,175,082
9,375,965,100	2106	Software Development	4,375,814,303	3,566,807,464
341,500,000	2108	Capital Payment for Leased Vehicles	341,105,945	463,666,557
521,698,419,047		**Total (b)**	**375,125,602,547**	**340,509,693,267**
		Capital Transfers		
33,437,903,413	2201	Public Institutions	26,480,857,962	16,105,833,028
107,264,439,337	2202	Development Assistance	61,939,636,572	35,554,755,249
70,916,700,000	2203	Contribution to Provincial Councils	57,597,815,653	21,504,900,000
2,511,500,000	2204	Transfers Abroad	2,402,824,695	2,418,267,774
1,774,600,000	2205	Capital Grants to Non-Public Institution	558,002,938	368,841,276
215,905,142,750		**Total (c)**	**148,979,137,820**	**75,952,597,328**
		Acquisition of Financial Assets		
117,263,604,853	2301	Equity Contribution	113,643,658,712	69,424,289,106
33,944,531,327	2302	On-Lending	28,367,293,146	40,520,279,263
151,208,136,180		**Total (d)**	**142,010,951,858**	**109,944,568,369**
		Capacity Building		
6,785,368,477	2401	Staff Training	4,970,633,455	4,421,722,490
6,785,368,477		**Total (e)**	**4,970,633,455**	**4,421,722,490**
		Other Capital Expenditure		
2,835,147	2501	Restructuring	2,835,147	2,016,539,823
-	2502	Investments	-	-
1,171,610,394	2503	Contingency Services	-	-
17,948,815,973	2504	Contribution to Provincial Councils	9,637,402,188	16,741,337,117
26,500,000	2505	Procurement Preparedness	13,267,797	11,900,891
190,679,822,973	2506	Infrastructure Development	182,852,175,780	116,768,618,748
12,222,267,706	2507	Research and Development	9,273,962,939	13,643,715,049
91,357,660,912	2509	Other	58,319,509,241	78,863,549,624
313,409,513,104		**Total (f)**	**260,099,153,093**	**228,045,661,251**
1,337,586,998,825		**TOTAL EXPENDITURE ON PUBLIC INVESTMENTS (a+b+c+d+e+f)**	**1,015,824,562,136**	**817,091,739,075**
7,259,205,330,000		**Total Expenditure (Notes 5 to 10)**	**6,278,834,545,718**	**6,187,602,015,956**

Note 11 - FOREIGN BORROWINGS - 2025

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
	ASIAN DEVELOPMENT BANK (ADB)					**159,065,714,585**		**(79,993,746)**		**158,985,720,838**		**256,204,660,583**		**(1,395,419,660)**		**254,809,240,923**
1		Jaffna & Kilinochchi Water Supply & Sanitation Project (OCR)	2011001	USD					-	-			(125,252)	(38,138,027)	(125,252)	(38,138,027)
2		Jaffna & Kilinochchi Water Supply & Sanitation Project (ADF)	2011002	XDR					-	-			(136,502)	(56,704,291)	(136,502)	(56,704,291)
3		Greater Colombo Water and Waste Water Management Programme-2	2014029	USD			(255,684)	(76,849,662)	(255,684)	(76,849,662)						
4		Greater Colombo Water and Waste Water Management Programme-3	2014030	XDR					-	-	7,066	2,800,000	(2,679)	(1,083,890)	4,386	1,716,110
5		Green Power Development & Energy Efficiency Improvement Programme	2014036	XDR					-	-	2,069,424	827,449,267			2,069,424	827,449,267
6		Green Power Development & Energy Efficiency Improvement Programme	2014037	USD	3,124,076.23	927,276,065	(80)	(23,641)	3,123,996	927,252,424	35,654,447	10,800,300,929			35,654,447	10,800,300,929
7		Mahaweli Water Security Investment Programme	2015025	USD					-	-	11,357,890	3,515,832,105	(325,136)	(94,805,817)	11,032,754	3,421,026,288
8		Greater Colombo Water & Wastewater Management Improvement Investment	2016033	XDR					-	-	1,802,404	741,711,670			1,802,404	741,711,670
9		Greater Colombo Water & Wastewater Management Improvement Investment Programme	2016034	USD					-	-	4,959,014	1,535,804,956	(7,608)	(2,211,008)	4,951,406	1,533,593,948
10		Transport Project Preparatory Facility	2016035	XDR	402,027.58	169,628,303			402,028	169,628,303					-	-
11		Local Government Enhancement Sector Project - Additional Financing	2016036	USD					-	-			(2,231,275)	(679,068,893)	(2,231,275)	(679,068,893)
12		Jaffna-Kilinochchi Water Supply Project - Additional Financing	2017039	USD	13,488,299.48	4,049,850,358			13,488,299	4,049,850,358	8,963,403	2,660,326,337			8,963,403	2,660,326,337
13		Mahaweli Water Security Investment Programme - Tranche 2	2018018	USD					-	-	11,341,385	3,399,256,980			11,341,385	3,399,256,980
14		Health System Enhancement Project	2018045	USD	2,133,483.32	641,662,493			2,133,483	641,662,493	2,978,170	899,766,534			2,978,170	899,766,534
15		South Asia Sub Regional Economic Cooperation Port Access Elevated Highway Project (SASEC)	2019012	USD	12,339,291.00	3,709,683,473			12,339,291	3,709,683,473	41,473,063	12,511,366,769			41,473,063	12,511,366,769

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
16		Science & Technology Human Resource Development Project	2019030	USD	8,625,307.39	2,563,122,591			8,625,307	2,563,122,591	8,130,948	2,439,660,644			8,130,948	2,439,660,644
17		Technical Assistance Loan Agreement	2019007	USD					-	-			(35,125)	(10,674,839)	(35,125)	(10,674,839)
18		Railway Efficiency Improvement Project	2019040	USD	16,230,212.54	4,872,782,489			16,230,213	4,872,782,489	22,112,550	6,609,992,948			22,112,550	6,609,992,948
19		Science & Technology Human Resource Development Project	2019029	USD	23,468,733.07	6,959,774,599			23,468,733	6,959,774,599	19,454,032	5,819,953,011			19,454,032	5,819,953,011
20		Jaffna & Kilinochchi Water Supply Project Additional Financing	2017038	USD					-	-	12,797,959	3,917,601,837			12,797,959	3,917,601,837
21		Health System Enhancement Project - Additional Financing	2021029	USD	5,141,937.50	1,565,061,730			5,141,938	1,565,061,730	14,029,575	4,195,340,340			14,029,575	4,195,340,340
22		Food Security and Livelihood Recovery Emergency Assistance Project	2022026	USD	6,064,816.20	1,846,265,297			6,064,816	1,846,265,297	4,309,829	1,349,711,187			4,309,829	1,349,711,187
23		Mahaweli Water Security Investment Programme	2015024	XDR					-	-	12,422,573	4,994,727,523	(170,094)	(65,062,815)	12,252,480	4,929,664,708
24		Second Integrated Road Investment Programme	2023016	USD	916,081.13	276,715,471			916,081	276,715,471	17,933,374	5,239,728,823			17,933,374	5,239,728,823
25		Integrated Road Investment Programme - Tranche 4	2017040	USD			(10,316)	(3,120,444)	(10,316)	(3,120,444)	2,939,228	895,321,237	(1,478,884)	(447,670,081)	1,460,344	447,651,156
26		Secondary Education Sector Improvement Programme-Results-Based Lending	2020018	USD	30,740,000	9,503,227,964			30,740,000	9,503,227,964	37,930,000	11,035,376,958			37,930,000	11,035,376,958
27		Enhancing Small and Medium-Sized Enterprises Finance Project	2024002	USD					-	-	100,000,000	29,954,435,000			100,000,000	29,954,435,000
28		Power Sector Reforms and Financial Sustainability Programme (Sub Programme 1)	2024003	USD					-	-	100,000,000	30,113,430,000			100,000,000	30,113,430,000
29		Water Supply and Sanitation Reform Programme - Sub Programme 1	2024004	USD					-	-	100,000,000	29,378,190,000			100,000,000	29,378,190,000
30		Mahaweli Water Security Investment Programme - Tranche 3	2024005	USD	1,903,093	562,210,852			1,903,093	562,210,852	86,425,385	25,307,315,529			86,425,385	25,307,315,529
31		Financial Sector Stability and Reforms- Sub Programme 2	2024009	USD					-	-	200,000,000	58,059,260,000			200,000,000	58,059,260,000
32		Sustainable Tourism Sector Development Programme - Sub Programme 1	2025007	USD	70,000,000	21,605,871,000			70,000,000	21,605,871,000						
33		Financial Sector Stability & Reforms Programme - Sub Programme 3	2025009	USD	100,000,000	30,884,790,000			100,000,000	30,884,790,000						

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
34		Strengthening Macroeconomic Resilience & Transparency Programme - Sub Programme 1 2025010 1	2025010	USD	100,000,000	30,882,680,000			100,000,000	30,882,680,000						
35		Power Sector Reforms and Financial Sustainability Programme-Sub Programme 2	2025011	USD	100,000,000	30,925,570,000			100,000,000	30,925,570,000						
36		Mahaweli Water Security Investment Programme Stage 2 Project	2025012	USD	23,000,000	7,119,541,900			23,000,000	7,119,541,900						
	ASIAN INFRASTRUCTURE INVESTMENT BANK					**12,449,728,302**		**-**		**12,449,728,302**		**16,334,496,722**	**-**	**-**		**16,334,496,722**
37		Reduction of Landslide Vulnerable by Mitigation Measures Projects	2019019	USD	11,528,317	3,453,994,486			11,528,317	3,453,994,486	28,717,515	8,679,811,822			28,717,515	8,679,811,822
38		Support to Colombo Urban Regeneration Project	2019020	USD	30,059,342	8,995,733,816			30,059,342	8,995,733,816	25,000,000	7,654,684,900			25,000,000	7,654,684,900
	BOERENLEEN BANK					**790,590,236**	**-**	**-**		**790,590,236**		**881,830,928**	**-**	**-**		**881,830,928**
39		Construction of Rural Bridges with Financial Assistance from Netherlands	2019047	EUR	2,314,696	790,590,236			2,314,696	790,590,236	2,715,828	881,830,928			2,715,828	881,830,928
	INTERNATIONAL MONETARY FUND (IMF)					**266,902,438,078**	**-**	**-**		**266,902,438,078**		**101,883,184,989**	**-**	**-**		**101,883,184,989**
40		Sri Lanka's 2023 -26 Extended Fund Facility Arrangement	2023008	XDR	508,000,000	203,270,836,303			508,000,000	203,270,836,303	254,000,000	101,883,184,989			254,000,000	101,883,184,989
41		Rapid Financing Instrument arrangement Under Sri Lanka's 2023-2026 IMF EFF Programme	IMF	SDR	205,552,232	63,631,601,775			205,552,232	63,631,601,775						
	INTERNATIONAL DEVELOPMENT ASSOCIATION					**51,460,255,240**		**(369,286,718)**		**51,090,968,522**		**138,960,544,740**		**(845,387,240)**	**80,836,369**	**138,115,157,500**
42		Water Supply and Sanitation Improvement Project	2015028	XDR					-	-	63,895	27,306,858			63,895	27,306,858
43		Early Childhood Development Project	2015030	XDR					-	-			(3,458)	(1,422,061)	(3,458)	(1,422,061)
44		Agriculture Sector Modernization Project	2017001	XDR	869,544	354,652,713	(837,019)	(343,390,149)	32,525	11,262,564	13,967,153	5,554,141,641			13,967,153	5,554,141,641
45		Transport Connectivity & Asset Management Project	2017023	XDR					-	-	4,529,281	1,820,710,572	(10,475)	(4,089,569)	4,518,806	1,816,621,003
46		Financial Sector Modernization Project	2017024	XDR					-	-			(1,367)	(594,182)	(1,367)	(594,182)
47		General Education Modernization Project	2018033	USD	5,250,000	1,585,356,675			5,250,000	1,585,356,675	26,177,078	7,928,845,043			26,177,078	7,928,845,043
48		Climate Smart Irrigated Agriculture Project	2019021	USD	24,000,000	7,309,974,400			24,000,000	7,309,974,400	17,000,000	5,210,599,400			17,000,000	5,210,599,400
49		Local Development Support Project	2019027	USD	4,139,764	1,225,251,005			4,139,764	1,225,251,005	8,324,561	2,473,825,604			8,324,561	2,473,825,604
50		Sri Lanka Integrated Watershed and Water Resources Management Project-Concessional Loan	2021007	XDR	6,205,779	2,515,033,740	(63,071)	(25,896,570)	6,142,708	2,489,137,170	8,300,517	3,285,395,700			8,300,517	3,285,395,700

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
51		Covid 19 Emergency Response & Health Systems Preparedness Project	2020009	USD					-	-			(2,038,316)	(661,327,038)	(2,038,316)	(661,327,038)
52		Kandy Multimodal Transport Terminal Development Project -Non Concessional	2021016	USD					-	-	4,827,500	1,480,519,545	(300,000)	(90,150,060)	4,527,500	1,390,369,485
53		Financial Sector Safety Net Strengthening Project	2024001	XDR	22,044,861	9,140,117,213			22,044,861	9,140,117,213	76,169,471	30,096,816,400	(230,058)	(87,804,330)	75,939,413	30,009,012,070
54		Kandy Multimodal Transport Terminal Development Project - Concessional	2021015	XDR	9,952,554	4,135,108,790			9,952,554	4,135,108,790	5,363,312	2,148,020,783			5,363,312	2,148,020,783
55		Social Protection Project	2023015	XDR	56,607,210	23,067,565,431			56,607,210	23,067,565,431	50,971,012	20,123,215,615			50,971,012	20,123,215,615
56		Second Resilience, Stability & Economic Turnaround Development Policy Financing	2024008	XDR					-	-	150,600,000	58,811,147,579			150,600,000	58,811,147,579
57		Integrated Rurban Development & Climate Resilience Project	2025004	USD	1,000,000	307,895,500			1,000,000	307,895,500						
58		Primary Healthcare System Enhancing Project (Credit B-SML)	2024007	XDR	4,483,839	1,819,299,774			4,483,839	1,819,299,774						
	INTERNATIONAL BANK FOR RECONSTRUCTION AND DI					**9,745,269,187**		**-**		**9,745,269,187**		**25,768,560,013**		**(1,728,264,561)**		**24,040,295,451**
59		Accelerating Higher Education Expansion & Development Operation (AHEAD) Programme	2017019	USD					-	-			(109,418)	(32,991,314)	(109,418)	(32,991,314)
60		Primary Health Care System Strengthening Project	2019001	USD					-	-	26,289,688	7,947,275,477	(6,344)	(1,896,334)	26,283,344	7,945,379,143
61		Covid 19 Emergency Response and Health System Preparedness Project	2020010	USD					-	-			(2,660,753)	(792,784,813)	(2,660,753)	(792,784,813)
62		Additional Financing for Water Supply & Sanitation Improvement Project	2021030	USD	1,725,228	509,805,207			1,725,228	509,805,207	18,186,664	5,640,138,330			18,186,664	5,640,138,330
63		Inclusive Connectivity & Development Project	2021032	USD	19,200,000	5,774,849,280			19,200,000	5,774,849,280	34,050,000	10,298,845,520			34,050,000	10,298,845,520
64		Second Addi. Financing for the COVID 19 Emergency response & Health Systems Preparedness Project	2021012	USD					-	-			(2,984,615)	(898,917,458)	(2,984,615)	(898,917,458)
65		Climate Resilience multiphase Programmatic Approach	2021025	USD	11,500,000	3,460,614,700			11,500,000	3,460,614,700	6,348,458	1,882,300,685			6,348,458	1,882,300,685
66		Third Addi. Financing for the COVID 19 Emergency Response & Health Systems Preparedness	2021031	USD					-	-			(5,463)	(1,674,642)	(5,463)	(1,674,642)

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOP					**1,071,015,950**	**-**	**-**		**1,071,015,950**		**4,838,363,572**	**-**	**-**		**4,838,363,572**
67		Sri Lanka Smallholder Tea and Rubber Revitalization Project (STARR)	2016016	XDR					-	-	103,850	43,714,827			103,850	43,714,827
68		Implementation of Smallholder Agribusiness Partnership(SAP) Programme	2017014	USD					-	-	13,290,174	3,895,488,698			13,290,174	3,895,488,698
69		Smallholder Agribusiness Resilience Project (SARP)	2021011	USD	3,500,000	1,071,015,950			3,500,000	1,071,015,950	3,000,000	893,503,350			3,000,000	893,503,350
70		Construction of Four Grid Substations Maliboda,Nawalapitiya, Wewalwatta and Ragala	2015021	EUR					-	-	28,227	5,656,697			28,227	5,656,697
	ORGANISATION OF PETROLEUM EXPORTING COUNTRI					**19,350,125,058**		**-**		**19,350,125,058**		**3,745,947,475**		**-**		**3,745,947,475**
71		Road Network Development Project	2012024	USD					-	-	947,057	289,192,575			947,057	289,192,575
72		Colombo National Highways Project	2013023	USD	3,450,990	1,028,370,792			3,450,990	1,028,370,792	1,682,852	499,931,655			1,682,852	499,931,655
73		Rehabilitation of the A 05 Road Corridor from Badulla to Chenkaladi Project	2015015	USD	1,201,420	363,202,785			1,201,420	363,202,785	4,067,618	1,236,845,566			4,067,618	1,236,845,566
74		Western Province Road Development Project	2015014	USD	426,895	127,585,232			426,895	127,585,232	155,794	45,092,430			155,794	45,092,430
75		Rehabilitation of the A 17 Road Corridor Project (Rakwana - Suriyakanda)	2019045	USD	9,212,067	2,757,646,249			9,212,067	2,757,646,249	5,602,284	1,674,885,250			5,602,284	1,674,885,250
76		Second Resilience, Stability and Economic Turnaround Development Policy Operation	2024010	USD	50,000,000	15,073,320,000			50,000,000	15,073,320,000						
	UNICREDIT BANK AUSTRIA AG					**-**	-	-		**-**		**192,524,525**	**-**	**-**		**192,524,525**
77		Upgrading of Operation Theatres and ICU Equipment under Austrian Soft Loan Scheme	2018016	EUR							966,957	192,524,525			966,957	192,524,525
	GOVERNMENT OF FRANCE					**47,457,627**				**47,457,627**		**-**	**-**	**-**		**-**
78		Development of Mini Dairy Cooperatives with French Soft Loan	2018047	EUR	133,919	47,457,627			133,919	47,457,627					-	-
	SAUDI FUND FOR ARAB ECONOMIC DEVELOPMENT					**7,694,007,882**	**-**	**-**		**7,694,007,882**		**5,814,057,599**	**-**	**-**		**5,814,057,599**
79		Road Network Development Project	2012025	SAR	1,432,390	113,416,598			1,432,390	113,416,598	570,876	47,836,740			570,876	47,836,740
80		Improvement of Peradeniya-Badulla - Chenkaladi Road Project	2015026	SAR	27,162,164	2,136,706,069			27,162,164	2,136,706,069	3,185,723	250,610,187			3,185,723	250,610,187
81		Kalu Ganga Development Project (Additional Finance)	2018024	SAR					-	-	4,001,263	321,958,118			4,001,263	321,958,118
82		Wayaba University Town Ship Development Project	2017032	SAR	16,439,004	1,278,771,320			16,439,004	1,278,771,320	18,065,663	1,446,915,014			18,065,663	1,446,915,014

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
83		Construction of Faculty of Medicine Project at the Sabaragamuwa University	2019043	SAR	52,237,107	4,165,113,896			52,237,107	4,165,113,896	47,320,932	3,746,737,540			47,320,932	3,746,737,540
	GOVERNMENT OF JAPAN					**5,757,632,530**		**-**		**5,757,632,530**		**10,553,530,872**			-	**10,553,530,872**
84		Kandy City Waste Water Management Project	2010016	JPK	107,070	213,478,291			107,070	213,478,291	192,338	376,093,594			192,338	376,093,594
85		Habarana Veyangoda Transmission Line	2012006	JPK	232,490	444,346,779			232,490	444,346,779	789,552	1,634,748,181			789,552	1,634,748,181
86		Anuradhapura North Water Supply Project	2013020	JPK	349,811	721,487,149			349,811	721,487,149	182,684	367,927,690			182,684	367,927,690
87		New Bridges Construction Project Over the Kelani River	2014003	JPK	385,089	801,984,234			385,089	801,984,234	2,013,246	4,105,158,577			2,013,246	4,105,158,577
88		Anuradhapura North Water Supply Project (Phase 2)	2016037	JPK	3,913	7,781,681			3,913	7,781,681	5,548	11,363,684			5,548	11,363,684
89		National Transmission and Distribution Network Development and Efficiency Improvement Proiect	2015018	JPK	1,150,644	2,320,692,703			1,150,644	2,320,692,703	1,045,017	2,003,229,906			1,045,017	2,003,229,906
90		Rural Infrastructure Development Project in Emerging Regions	2017015	JPK	381,475	765,101,867			381,475	765,101,867	470,802	909,148,378			470,802	909,148,378
91		Health and Medical Service Improvement Project	2018032	JPK	19,499	39,492,670			19,499	39,492,670	19,233	37,903,861			19,233	37,903,861
92		Kalu Ganga Water Supply Expansion Project	2017016	JPK	44,210	89,770,352			44,210	89,770,352	137,015	279,709,311			137,015	279,709,311
93		Establishment of Light Rail Transit Project System in Colombo	2019011	JPK	40	80,705			40	80,705	399,885	828,247,690			399,885	828,247,690
94		Digitalization of Terrestrial Television Broadcasting Project	2014023	JPK	180,016	353,416,098			180,016	353,416,098						
	GOVERNMENT OF THE REPUBLIC OF KOREA					**372,117,773**	**-**	**-**		**372,117,773**		**3,725,989,857**	**-**	**-**		**3,725,989,857**
95		Technological Education Development Programme	2018023	USD							8,139,509	2,445,222,047			8,139,509	2,445,222,047
96		Deduru Oya Water Supply Project	2014038	KRK												
98		Ruwan Walla Water Supply Project	2014039	KRK	1,841,256	372,117,773			1,841,256	372,117,773	5,861,473	1,280,767,810			5,861,473	1,280,767,810
	THE EXPORT - IMPORT BANK OF CHINA					**656,265,060**	**-**	**-**		**656,265,060**		**4,594,181**	**-**	**-**		**4,594,181**
99		Kandy North Pathadumbara Integrated Water Supply	2017041	CNY											-	-
100		Rehabilitation and Improvement of Priority Road Project Phl	2010051	USD					-	-	14,180	4,594,181			14,180	4,594,181
101		Moragahakanda Development Project	2012017	USD	3,525,100	656,265,060			3,525,100	656,265,060						
	THE EXPORT - IMPORT BANK OF INDIA					**4,052,753,989**				**4,052,753,989**		**-**	**-**	**-**		**-**
102		Doller Credit Line 318M of the Development of Railway Sector	2017013	USD	13,085,641	4,052,753,989			13,085,641	4,052,753,989					-	-

	Funding Agency	Project	Loan Key	Loan Currency	2025 Gross Borrowings		2025 Refunds		2025 Net Borrowings		2024 Gross Borrowings		2024 Refunds		2024 Net Borrowings	
					Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)	Amount (Loan Currency)	Amount (Rs.)
	STATE BANK OF INDIA					-	-	-		-		**15,018,760,094**	-	-		**15,018,760,094**
103		Importation of Essential Commodities for Year 2022 (USD -1000Mn)	2022011	USD							47,669,725	15,018,760,094			47,669,725	15,018,760,094
	EUROPEAN INVESTMENT BANK					**2,816,920,303**				**2,816,920,303**		-				-
104		Implementation of Greater Colombo Water and Wastewater Management Improvement Programme-Project 3	2017003	EUR	8,027,259	2,816,920,303			8,027,259	2,816,920,303					-	-
	GOVT. OF THE FEDERAL REPUBLIC OF GERMANY					**467,121,447**			-	**467,121,447**					-	-
105		Construction of the Mahamodara Maternity Hospital, Galle	2012022	EUR	2,103,681	467,121,447			2,103,681	467,121,447					-	-
	Total					**542,699,413,247**	-	**(449,280,465)**	-	**542,250,132,782**		**583,927,046,151**	-	**(3,969,071,462)**		**579,957,974,689**
												-	-	-	-	

8343	542,250,132,782
9190	-
9194	-
	542,250,132,782

Debt Restructuring

Interest Capitalized for Project Loans	24,639,960,257
	566,890,093,039

NOTE - 12 - FOREIGN GRANTS

	Actual	
	2025 Rs.	2024 Rs.
Grants Received in the form of Cash for Projects	5,569,841,518	5,961,939,354
Grant Received through Special Foreign Currency Accounts	1,784,400,654	7,942,172,625
Grants Received in Materials & Equipments	18,241,021,131	41,898,991,099
Direct Payments	10,367,772,432	4,038,501,683
	35,963,035,735	**59,841,604,762**

	Actual	
	2025	2024
	Rs	Rs
NOTE - 13 - DOMESTIC NON BANK BORROWINGS		
Net Borrowings through Treasury Bills - 8085	(932,540,000,000)	(22,040,000,000)
Treasury Bonds - 9093	2,397,693,000,000	3,071,892,245,894
Net Borrowings through Foreign Currency Banking Unit (Non Project) - 9107	-	(75,949,350,000)
Term Loan - Bank of Ceylon - 9220	-	484,032,821,914
Term Loan - People's Bank - 9218	-	167,162,099,212
Domestic Dollar Bond Account - 9226	15,432,470,000	-
	1,480,585,470,000	**3,625,097,817,020**
Debt Restructuring		
Conversion of Government Guaranteed Ceylon Petroleum Corporation Loan (9214) in to Term Loan		
Term Loan - Bank of Ceylon - 9220	-	(410,429,581,236)
Term Loan - People's Bank - 9218	-	(136,697,863,379)
Treasury Bonds - 9093	-	(224,358,099,183)
	-	**2,853,612,273,223**
Net Borrowings through Treasury Bills - 8085		
Borrowings through Treasury Bills	5,347,668,000,000	7,900,615,000,000
Less: Total Repayments	6,280,208,000,000	7,922,655,000,000
Net of Borrowings/Repayment	**(932,540,000,000)**	**(22,040,000,000)**
Net Borrowings through Foreign Currency Banking Unit (Non Project) - 9107		
Borrowings through Foreign Currency Banking Unit	-	-
Less: Total Repayments	-	75,949,350,000
Net of Borrowings/Repayment	-	**(75,949,350,000)**
NOTE - 14 - DOMESTIC DEBT REPAYMENTS		
Treasury Bonds - 9093	969,077,543,273	962,389,404,019
Foreign Currency Banking Unit (Project) - 9196	2,819,997,774	2,733,551,539
Ministry of Defence -Suhurupaya Loan - 9198	568,919,602	568,919,602
Retirement Gratuity Loan Account - 9207	4,070,416,569	4,070,416,569
Treasury Bonds ALMA - 9202	-	15,000,000,000
Discharging of Treasury Guarantees	18,098,013,305	-
	994,634,890,523	**984,762,291,729**

Note:

01. Net Borrowings through Treasury Bills Reflect the Difference between Borrowings through Treasury Bills and Its Settlements on Maturity Occurred During the Year.

02. Net Borrowings through Foreign Currency Banking Unit (Non Project) Reflect the Difference between Borrowings through Foreign Currency Banking Unit (Non Project) and Its Settlements on Maturity Occurred During the Year.

NOTE - 15- DOMESTIC GRANTS

Domestic Grants Received in the Form of Cash for Projects		
DONOR		
Donation to 1990 Suwasariya Foundation	41,400,000	108,750,000
Grants from Central Cultural Project	84,709,086	18,376,022
Colombo Port Expansion Project	18,197,358	-
Digiecon 2030 (Digital Economy 2030)	16,600,000	-
Bandarawela Church hill Prehistoric site Rescue Excavation Project	2,066,508	-
Aqua Planet Sri Lanka - 2025 International Exhibition	23,589,586	-
Total	**186,562,538**	**127,126,022**

	Actual	
	2025	2024
	Rs	Rs
NOTE - 16- RECOVERIES FROM ON-LENDING		
National Development Bank	721,392,701	987,007,396
Sri Lanka Ports Authority	5,671,581,434	5,820,931,324
Development Finance Corporation of Ceylon	1,443,120,344	1,910,461,340
Hatton National Bank	880,361,264	1,097,650,090
Colombo Municipal Council	252,645,470	147,655,385
Sampath Bank	781,541,991	1,103,401,150
Commercial Bank	911,632,448	1,578,692,016
Seylan Bank	560,344,782	924,298,613
Regional Development Bank	1,157,130,499	1,250,346,906
Nations Trust Bank	717,307,578	678,226,698
Local Loan Development Fund	246,448,736	233,468,639
Bank of Ceylon	772,513,154	1,002,030,951
People's Bank	528,314,788	790,734,626
Revolving Funds of Central Bank with Regional Development Banks	3,905,029,313	8,668,127,188
Airport & Aviation Service (Ltd)	1,160,995,990	1,223,359,109
Sarvodaya Economic & Enterprises Dev. Service	85,575,000	4,425,000
Union Bank of Colombo PLC	118,719,680	-
Pan Asia Banking Corporation PLC	118,719,680	-
Sanasa Development Bank	241,390,716	-
Other Institutions	9,685,528	270,302,650
Sub Total (a)	**20,284,451,095**	**27,691,119,080**
Treasury Funded Lending		
AHF Loan Scheme	-	1,323,666
MSME Loan Scheme - Re-energizing	2,130,634,086	89,228,507
Other Loans	773,627,008	59,709,337
Sub Total (b)	**2,904,261,094**	**150,261,510**
Grand Total (a+b)	**23,188,712,190**	**27,841,380,590**

Reconciliation for Revenue Deficit and Budget Deficit

for the Year Ended 31st December 2025

Revenue Excess / (Deficit) as Per the Performance Statement				**(1,053,476,668,033)**
Less:				
Sale of Capital Assets			3,587,266,556	
Grants			36,149,598,273	
Exchange Gain			(831,427,841,770)	
Acquisition of Capital Assets				
2101	Vehicles	8,918,677,354		
2102	Furniture and Office Equipment	14,418,266,448		
2103	Plant, Machinery and Equipment	26,800,713,972		
2104	Buildings and Structures	261,470,099,878		
2105	Lands and Land Improvements	58,800,924,647		
2106	Software Development	4,375,814,303		
2108	Capital Payment for Leased Vehicles	341,105,945	375,125,602,547	
Acquisition of Financial Assets				
2301	Equity Contribution	113,643,658,712		
2302	On-Lending	28,367,293,146	142,010,951,858	
Investment on Public Infrastructure Development				
2001	Rehabilitation & Improvement of Building and Structure	1,938,239,133		
2201	Capital Transfer to Public Institutions	144,654,822		
2202	Development Assistance	1,751,354,571		
2504	Contribution to Provincial Council	2,128,674,491		
2506	Infrastructure Development	10,347,772,788		
2509	Other	3,578,097,083	19,888,792,890	
				(254,665,629,646)
Budget Deficit				**798,811,038,387**

Current Year Actual vs Budget

Rs. '000

	Original Budget	Revised Budget	Actual	Variance	%
Revenue					
Tax Revenue	**4,590,000,000**	**4,725,000,000**	**5,049,191,658**	**(324,191,658)**	**7**
Income Tax	1,167,000,000	1,120,000,000	1,139,373,084	(19,373,084)	**2**
Taxes on Domestic Goods & Services	2,768,168,000	2,949,653,000	3,193,928,074	(244,275,074)	**8**
Taxes on International Trade	654,832,000	655,347,000	715,890,500	(60,543,500)	**9**
Non Tax Revenue & Others	404,000,000	381,000,000	430,831,850	(49,831,850)	**13**
Foreign Grants	29,500,000	24,750,000	35,963,036	(11,213,036)	**45**
Domestic Grants	500,000	250,000	186,563	63,437	**-25**
Recoveries from On-lending	18,000,000	22,000,000	23,188,712	(1,188,712)	**5**
Sale of Capital Assets	400,000	5,800,000	3,587,267	2,212,733,444	**-38**
Total Revenue	**5,042,400,000**	**5,158,800,000**	**5,542,949,084**	**(384,149,084)**	**0.0074**
Expenditure					
Salaries, Wages and Other Employment Benefits	867,802,236	798,958,923	786,334,810	12,624,113	2
Other Goods & Services	606,168,524	551,651,836	464,555,375	87,096,461	16
Subsidies, Grants and Transfers	1,471,752,163	1,567,655,930	1,510,744,338	56,911,591	4
Interest Payments	2,950,000,000	2,989,700,000	2,500,674,316	489,025,684	16
Other Recurrent Expenditure	24,277,077	13,651,642	701,145	12,950,498	95
Total Recurrent Expenditure	**5,920,000,000**	**5,921,618,331**	**5,263,009,984**	**658,608,348**	**11**
Public Investments	**1,315,000,000**	**1,337,586,999**	**1,015,824,562**	**321,762,437**	**24**
Foreign Debt Repayments	**619,850,000**	**619,850,000**	**424,481,544**	**195,368,456**	**32**
Domestic Debt Repayments	**980,150,000**	**998,650,000**	**994,634,891**	**4,015,109**	**0**
Total Expenditure	**8,835,000,000**	**8,877,705,330**	**7,697,950,980**	**1,179,754,350**	**13**

Statement of Receipts & Payments to the Consolidated Fund for the Year 2025

	2025 Rs.	2024 Rs.
Cash Flow from Operating Activities		
Tax Receipts	5,043,034,177,666	3,701,027,599,551
Fees, Fines, Penalties and Licenses	106,367,702,983	96,442,457,759
Profits	47,332,367,849	33,190,901,922
Other Receipts	202,050,063,968	165,093,217,383
Total Cash Flow from Operating Activities (a)	**5,398,784,312,465**	**3,995,754,176,614**
Less - Cash Disbursed for:		
Personal Emoluments & Operating Payments	1,250,890,185,083	1,203,080,764,830
Subsidies & Transfer Payments	1,510,744,338,226	1,477,766,527,047
Finance Costs	2,501,375,460,274	2,689,662,985,005
Total Cash Disbursed for Operating Activities (b)	**5,263,009,983,583**	**5,370,510,276,882**
Net Cash Flow from Operating Activities (c)=(a)-(b)	**135,774,328,883**	**(1,374,756,100,267)**
Cash Flow from Investing Activities		
Interest	72,028,384,571	57,763,627,787
Dividends	9,210,810,294	7,889,522,543
Divestiture Proceeds & Sale of Physical Assets	3,587,266,556	1,110,150,162
Recoveries from On Lending	23,188,712,190	27,841,380,590
Total Cash Flow from Investing Activities (d)	**108,015,173,612**	**94,604,681,081**
Less - Cash Disbursed for:		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	1,015,824,562,136	817,091,739,075
Total Cash Disbursed for Investing Activities (e)	**1,015,824,562,136**	**817,091,739,075**
Net Cash Flow from Investing Activities (f)=(d) - (e)	**(907,809,388,524)**	**(722,487,057,993)**
Net Cash Flow from Operating and Investing Activities (g)=(c) + (f)	**(772,035,059,641)**	**(2,097,243,158,261)**
Cash Flow from Financing Activities		
Local Borrowings	1,480,585,470,000	2,853,612,273,223
Foreign Borrowings	566,890,093,039	3,967,308,481,863
Grants Received	36,149,598,273	59,968,730,784
Total Cash Flow from Financing Activities (h)	**2,083,625,161,312**	**6,880,889,485,870**
Less - Cash Disbursed for:		
Repayment of Local Borrowings	994,634,890,523	984,762,291,729
Repayment of Foreign Borrowings	424,481,543,530	3,634,067,681,728
Total Cash Disbursed for Financing Activities (i)	**1,419,116,434,052**	**4,618,829,973,457**
Net Cash Flow from Financing Activities (j)=(h) - (i)	**664,508,727,260**	**2,262,059,512,413**
Net Cash Flow from Operating, Investing and Financing Activities	**(107,526,332,382)**	**164,816,354,152**
Opening Consolidated Fund Balance as at 01st January	**1,318,179,126,037**	**1,153,362,771,886**
Closing Consolidated Fund Balance as at 31st December	**1,210,652,793,655**	**1,318,179,126,037**

Reconciliation of the Cash Flow Statements & Statement of Receipts & Payments to the Consolidated Fund for the Year 2025

Closing Cash Balance as at 31st December	**937,550,070,837**	
Net Change in Deposits and Other Liabilities [1]	(203,661,517,663)	733,888,553,174
Opening Cash Balance as at 01st January		**841,414,885,555**
Net Cash Flow from Operating, Investing and Financing Activities		(107,526,332,382)
Opening Consolidated Fund Balance as at 01st January		1,318,179,126,037
Closing Consolidated fund Balance as at 31st December		**1,210,652,793,655**

Net Change in Deposits and Other Liabilities [1]

Add:		
Advances to Public Officers	5,390,482,917	
Stamps Stock Account	52,337,384	
		5,442,820,300
Less:		
Miscellaneous Funds		712,779,707
Deposits		21,881,789,148
Advances to Government Departments		130,065,202
Accounts Operating with Government Departments		183,652,699,821
Sundry Accounts		1,236,026,975
Foreign Loan Revolving Funds		1,490,977,111
		209,104,337,964
		(203,661,517,663)

RECONCILIATION BETWEEN GENERAL FUND AND CONSOLIDATED FUND - 2025

	2025 Rs.	2024 Rs.
General Fund	**(21,778,882,720,967)**	**(20,954,898,861,212)**
Add:		
Impact on Borrowings		
Capital Investment Inland & Foreign Consolidated Loan Account (8342)	7,747,918,377,159	6,918,539,590,025
Treasury Bond Repayment Account (9103)	15,559,477,527,513	14,130,862,070,786
Treasury Bills Utilization Account (9109)	3,137,874,000,000	4,070,414,000,000
Least Asset Investment Account (9183)	797,263,150	1,031,721,564
Foreign Currency Term Financing Facility (9191)	749,024,040,008	715,519,649,770
International Sovereign Bond Investment Account (9195)	3,179,036,411,597	3,100,172,150,503
Foreign Currency Banking Unit (Project) Investment Account (9197)	14,209,079,797	16,267,506,482
Suhurupaya Investment Account of Ministry of Defence (9199)	2,844,598,012	3,413,517,614
Treasury Bond Investment Account (Active Liability Management Act) (9203)	8,000,000,000	8,000,000,000
Retirement Gratuity Investment Account (9208)	36,713,035,128	40,783,451,697
Government Guaranteed Ceylon Petroleum Corporation Loan Investment Account (9215)	-	-
Term Loan Investment Account - People's Bank (9219)	169,334,094,011	159,823,300,125
Term Loan Investment Account - Bank of Ceylon (9221)	490,322,027,283	462,782,672,220
Domestic Dollar Bond Investment Account (9227)	15,499,720,000	-
	31,111,050,173,659	**29,627,609,630,785**
	9,332,167,452,692	**8,672,710,769,574**
Less:		
Impact on Investments		
Government Corporations Capital Fund (8467)	2,309,757,017,042	2,169,164,802,565
Government Shares Account (8547)	369,488,966,659	324,066,963,301
On-lent Loan Investment Account (9117)	234,139,598,892	195,004,063,429
Property Plant & Equipment Reserve Fund Account (9165)	4,307,271,390,265	3,965,170,977,997
Work in Progress Reserve Fund Account (9166)	769,256,311,933	595,447,125,873
Lease Asset Reserve Fund Account (9182)	2,138,902,015	2,548,765,965
Rental & Work Advance Reserve (9189)	1,790,427,121	1,260,896,738
	7,993,842,613,928	**7,252,663,595,868**
Investment on Public Infrastructure Development	125,619,518,303	105,730,725,413
Exchange Gain / Loss	2,052,526,806	(3,862,677,744)
Consolidated Fund	**1,210,652,793,655**	**1,318,179,126,037**

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No. TPD/A/DSA/IA/FA/2025/12 | ඔබේ අංකය / உமது இல. / Your No. | දිනය / திகதி / Date 30 May 2026

Secretary

Ministry of Finance, Planning and Economic Development

Report of the Auditor General on the Financial Statements of the Government for the year ended 31 December 2025, in terms of Sections 11(1) and 15(1) of the National Audit Act, No. 19 of 2018

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1. Financial Statements

1.1 Qualified Opinion

The audit of financial statements of the Government for the year ended 31 December 2025 comprising the statement of financial position of the Government as at 31 December 2025 and the statenemnt of financial performance, statement of changes in net assets/equity and cash flow statement for the year then ended and notes to the financial statements including information of significant accounting policies was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions in Section 13 of the National Audit Act, No. 19 of 2018. The Annual Detailed Management Audit Report will be issued to the Chief Accounting Officer in terms of Section 11(2) of the National Audit Act, No. 19 of 2018 (as amended) in due course. My report to Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 10 of the National Audit Act, No. 19 of 2018 will be tabled in due course.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion Paragraph of this report, the accompanying financial statements of the Government give a true and fair view of the financial position of the Government as at 31 December 2025 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

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1.2 Basis for Qualified Opinion

1.2.1 Preparation and Presentation of the Government Financial statements

The following observations are made.

(a) In terms of Section 47(1) of the Public Finance Management Act, No. 44 of 2024, the financial statements of the Government, must be prepared in accordance with the standards developed based on International Public Sector Accounting Standards. However, as the Minister of Finance did not specify a date for its implementation in terms of Section 1.3 (a) of the said Act, the financial statements of the Government for the year under review had not been prepared in that manner.

(b) Adjustments relevant to the year under review including surplus or deficit of the year under review, other retrospective adjustments should be included in the opening balance of the General Fund shown in the statement of changes in net assets/equity which is prepared based on accounting principles. However, the closing balance of the General Fund, as presented in the statement of changes in net assets/equity, had been computed by excluding foreign exchange gains and variation balances in the Net Assets Adjustment Account that should have been set off with the variations in the Consolidated Fund during the year under review, and by adjusting the effects arising from assets and borrowings as retrospective adjustments. As a result, adjustments that are not to be retrospectively recognized had been indirectly incorporated into the Statement of Changes in Net Assets/Equity, and adjustments made during the year under review relating to financial and non-financial assets, foreign and domestic loan balances, and error corrections had been indirectly adjusted for the General Fund. Accordingly, it was observed that the Statement of Changes in Net Assets/Equity had not been prepared in compliance with accounting principles, and thus, users of the financial statements are not able to obtain a clear understanding of those adjustments.

(c) During the year under review, Rs.24,640 million was capitalized as interest on foreign debt restructuring. Although there was no cash inflow or outflow in relation to this transaction, the amount was incorrectly presented as cash inflow under financing activities and cash outflow under operating activities in the cash flow statement, considering it as foreign debt receipts and interest payments for the year under review.

(d) The amount of Rs. 18,098 million paid during the year under review to settle the loans taken by the State Owned Enterprises based on treasury guarantees had been incorrectly classified as repayment of domestic loans in the cash flow statement and in the Note 14 of the budget performance and deficit financing statement. Furthermore, the said payment had been incorrectly debited indirectly to the general fund without being recorded as an expense in the statement of financial performance.

(e) The closing balance of the general fund was calculated through the statement of changes in equity/net assets in the financial statements of the Government and presented in the statement of financial position. Reference was made to Note 25 to the General Fund in the statement of financial position again and the General Fund and the Consolidated Fund were presented in a concise and comparative manner. It was observed that since this relationship is presented

analytically and comparatively in a separate financial statement through a comparative statement, it is not necessary to present it again in the financial statements prepared based on accounting principles, which could lead to confusion for users of the financial statements.

(f) Although the value of investment activities in the cash flow statement of the financial statements of the Government is Rs.537,025 million, the relevant assets acquired during the year under review included in notes number 14,15,17,20 and 26 of the financial statements of the Government had increased by Rs.540,649 million on a net basis. Accordingly, a net change of Rs. 3,623 million was observed and this change was indirectly adjusted to the General Fund in the statement of changes in equity/net assets.

(g) According to the cash flow statement, although Rs.113,644 million was spent on capital contribution to state owned enterprises during the year under review, Rs.186,015 million was capitalized to the capital contribution account. Accordingly, Rs.72,371 million was overcapitalized to the capital contribution account without any cash outflow. This difference was included in the net change in the general fund in the statement of changes in equity/net assets.

(h) As per Note 14 to the financial statements of the Government, transfers of assets (Transfer Out) were shown in the asset disposal column (Disposal), therefore, it was not possible to separately identify the assets actually disposed of and the transfers by the Government during the year under review.

(i) Although the negative value of the Consolidated Fund as at 01 January 2022 of Rs.990,491 million and the negative value of the Net Asset Adjustment Account of Rs.14,040,298 million were recorded as the General Fund in the Statement of Changes in Equity/Net Assets from the year 2023, adequate disclosures had not been made in the financial statements of the year under review regarding the need to do so. Furthermore, the balance as at 31 December 2025 was Rs.21,778,883 million.

(j) Although the foreign exchange gain or loss arising on the transaction of monitory assets denominated in foreign currency into local currency should be adjusted in the annual financial performance statement in accordance with accounting principles, it was observed that the cumulative value of Rs.53,602 million arising from the transaction of monitory assets denominated in foreign currency into local currency was not adjusted annualy, but was recorded in the foreign debt adjustment account and presented as a fund account in the statement of financial position, which is not in accordance with accounting principles and may be misleading to the users of the financial statements. Furthermore, the existence of a cash inflow of Rs. 1,491 million in respect of this account in the cash flow statement for the year under review was a matter of concern during the audit.

(k) Although the value of Rs. 3,587 million received from the sale of non-financial assets during the year under review was matched with their cost and the resulting gain or loss should have been adjusted to the statement of financial performance, the total value received from the sale of non-financial assets was recognized as other income.

(l) Although adjustments should be made to the statement of financial performance prepared on the basis of accounting for foreign exchange gains or losses arising from the translation of financial items denominated in foreign currencies into local currency, under Note 27.2, a value of Rs. 123 million was incorrectly stated under the statement of financial position as the liability account under the name Parity Variance Account on Crown Agent Account.

(m) Although the capital installment payment value of Rs. 341 million for leased vehicles during the year under review should be shown as a cash out flow under financing activities in the cash flow statement, it was shown as a cash out flow under investing activities.

(n) Although the cash flow generated from financing activities in the cash flow statement included Rs.36,150 million as grants, that value included grants of materials and equipment worth of Rs.18,241 million.

(o) In the financial statements of the Government, excluding land and work in progress, depreciation provision had not been made in accordance with the prudent accounting concept by systematically allocating the depreciable value of the assets over their useful lives, totaling Rs.1,191,764 million. Furthermore, although the residual value and useful life of these assets should be reviewed at least at the end of each financial year, this had not been done. Accordingly, the users of the financial statements of the Government had lost the opportunity to obtain a precise understanding of the carrying amount of these assets after deducting the accumulated depreciation and accumulated impairment losses.

(p) The assets and liabilities included in the statement of financial position were not classified as current and non-current. As a result, users of the financial statements and interested parties were deprived of the opportunity to gain a clear understanding of the amount of external liabilities that the government had to settle in the forthcoming year.

(q) Although the total external liabilities were Rs.31,494,879 million as per the statement of financial position, the total external liabilities exceeded the total assets by Rs.21,270,280 million as of 31 December 2025, due to the total assets being only Rs.9,774,599 million.

1.2.2 Foreign Public Debt

The following observatins are made.

(a) It was disclosed under Explanatory Note 02 to the Financial Statements of the Government for the year 2024 that there was a difference of Rs.1,070 million or unaccounted disbursements in relation to 03 loans as of 31 December 2024 between the loan balances in Note No. 26 (ii) of the Financial Statements of the Government and the balances contained in Stock and Flow Report No. 01 of the Debt Management System, and this was also confirmed by the then Director General of the Treasury Operations Department.

(i) However, a net difference of Rs.2,672 million was observed when comparing the opening balances of Stock and Flow Report No. 01 of the Debt Management System as at 01 January 2025 and the balances of Note No. 26(ii) of the audited Financial Statements of the Government as at 31 December 2024. Accordingly, in addition to the unaccounted loan balances indicated above, it was observed that there were further disbursements that

were not recorded in Stock and Flow Report No. 01 of the Debt Management System or in the Financial Statements of the Government as at that date, although they were related to the year ending 31 December 2024. Accordingly, the correct disbursement period of these loan disbursements was problematic.

(ii) Although the accounting policy for recognizing expenses under the significant accounting policies of the Financial Statements of the Government states that all expenses are accounted for in the period in which the payments are made, it was a matter of question during the audit whether the expenses incurred in relation to the disbursements adjusted to the opening balances of the Stock and Flow Report No. 01 of the Debt Management System were applicable to the year under review. Similarly, it was a further matter of question as to which period the interest on these loans should be calculated.

(iii) The Director General of the Treasury Operations Department had confirmed in her letter No. TOD/FD1/1/7/vol- vii dated 03 March 2026 that there was no foreign loan proceeds received during the year 2025 which were not accounted for in the year 2025. However, as indicated in (a)(i), it was observed that there is a high potential for unaccounted disbursements received during the year 2025 but not recorded in the Stock and Flow Report No. 01 of the Debt Management System or in the Financial Statements of the Government.

(iv) Although the borrowings related to 02 loans of these had been accounted for in the year 2025, no disclosure had been made in this regard in the Financial Statements of the Government. Further more, although it is stated in the accounting policy relevant to the recognition of expenses under the significant accounting policies of the Financial Statements of the Government that all expenses have been accounted for in the period in which the payments have been made, it was a questionable issue during the audit whether the expenses incurred by obtaining loans related to these 02 loans are applicable to the year under review.

(v) The above-mentioned letter from the Director General, Department of Treasury Operations had not mentioned the action taken in respect of the outstanding other loan of SAR 112,034 relating to Loan No. 2012025 as at 31 December 2024. However, an amount equivalent to this loan, or SAR 112,034, had been added to the foreign currency of the original loan only through the adjustment column provided in Note 26 (ii). The value of SAR 112,034, which was shown as an unaccounted disbursment in the year 2024, was added to foreign currency only through the adjustment column in Note No. 26 (II) without considering that value as a disbursement in foreign and local currencies, which is the normal method of accounting for other unaccounted foreign debts, and the reasons for increasing only its foreign currency balance as of 31 December 2025, and no disclosure was provided in the financial statements of the Government for the year under review. It was also observed that the foreign exchange loss calculated in relation to the closing loan balance is not correct due to the addition to the adjustment column in this manner.

(b) In Note 26 (ii) of the Financial Statements of the Government, under Sub-No. 740 and under International Monetary Fund (IMF), without a loan number, Rapid Financing Instrument Arrangement Under Sri Lanka's 2023 – 26 IMF EFF Programme SDR 150.5 million was mentioned as borrowings during the reporting year amounting to SDR 150.5 million or

Rs.63,632 million and the balance of that loan as at 31 December 2025 was SDR 150.5 million or Rs.63,893 million. However, no such borrowing and closing balance was observed in the Stock and Flow Report No. 01 as at 31 December 2025 in the debt management system. The presence of information in the Financial Statements of the Government that was not available in the source system used to obtain information on foreign debt for the Financial Statements of the Government was a questionable issue during the audit.

(c) Under Note 26 (ii) of the Financial Statements of the Government, the borrowing in respect of Loan No. 2013047 had been obtained in two types of foreign currencies and the respective values of those foreign currencies had been incorrectly converted to each other.

(d) Under Note 26 (ii) of the Financial Statements of the Government, an amount of SDR 2,064 had been deducted under the adjustment column in respect of Loan No. 1990009 and no disclosure was made in this regard in the Financial Statements. It was observed that due to this adjustment, the foreign exchange loss calculated in respect of the loan balance was not correct.

(e) When comparing the results of the year under review in the Stock and Flow Report No. 01 of the Debt Management System and Note No. 26 (ii) of the Financial Statements of the Government, it was observed that although the foreign currency value was the same, the local currency value was not the same. The details are as follows.

(i) The total value of the disbursement in respect of 12 loan agreements was overstated by Rs.53 million in the Stock and Flow Report No. 01.

(ii) The total value of the disbursement in respect of 17 loan agreements was overstated by Rs.359 million in the Financial Statements of the Government.

(iii) As a result, it was observed that the foreign exchange loss calculated in respect of these loan agreements in the Financial Statements of the Government and in the Stock and Flow Report No. 01 also took different values.

(f) When comparing the disbursement for the year under review in the Stock and Flow Report No. 01 of the Debt Management System and Note No. 26 (ii) of the Financial Statements of the Government, there were differences in the foreign currency value and local currency value of the disbursement in respect of 04 loan agreements. Accordingly, the total amount of Rs.2,014 million was overstated in the Financial Statements of the Government.

(g) Negative loan disbursement totaling USD 266,000 or Rs.80 million were observed in the Financial Statements of the Government and Stock and Flow Report No. 01 in respect of 02 loan agreements.

(h) Although disbursement totaling Rs.1,171 million were disclosed in the Financial Statements of the Government, such disbursement were not included in the Stock and Flow Report No. 01 in respect of those loan agreements.

(i) The following observations are made in respect of loan number 2024347 as stated in the International Sovereign Bonds mentioned in Note No. 26(iv) of the Financial Statements of the Government.

(i) According to the Stock and Flow Report No. 01, the opening balance related to the loan number as at 01 January 2025 was USD 1,532 million or Rs.448,353 million. However, according to the Financial Statements of the Government, the opening balance on that date was USD 1,544 million or Rs.451,622 million. Accordingly, a difference of USD 11 million or Rs.3,269 million was observed. The reasons for this difference were not disclosed in the financial statements.

(ii) Although the Stock and Flow Report No. 01 states that USD 330 million or Rs.98,404 million was paid in respect of this loan balance during the reporting year, the value of the payments made as per the Financial Statements of the Government was USD 341 million or Rs.101,863 million. Accordingly, a difference of USD 11 million or Rs. 3,459 million was observed. The reasons for this difference were not disclosed in the financial statements.

(j) During the year under review, a total of USD 266,080 and SDR 900,090 or a total of Rs. 449 million were returned to the relevant borrowers in respect of 05 foreign loans and the reasons for this were not disclosed in the financial statements. Furthermore, it was further observed that interest on the loans may have to be paid for the period in which the loans were held.

(k) In the accounting of the loan balance of Rs. 518,293 million related to 08 types of loans that were maintained entirely outside the statement of financial position of the government in the year 2022, no assets acquired by obtaining those loans had been identified in the financial statements of the government as at the end of the year under review. Accounting for the loan balance in this manner without recognizing the relevant assests had also led to an increase in the negative balance of the general fund in the statement of financial position.

(l) Although according to the Stock and Flow Report No. 01 of the Debt Management System, it was stated that the loans relating to Loan Nos. 2019019 and 2019020 were obtained from the Asian Infrastructure Investment Bank, according to the financial statements of the government, it was stated that the loans were obtained from the Agency Francaise De Development.

(m) In the Stock & Flow Report No. 01 of the Debt Management System, USD 141,740 or Rs. 28 million had been paid under other payments in relation to Loan No. 2025323. However, the foreign currency and value of the payment made in relation to this expenditure was stated as AUD 141,739.95 in the invoice No. SIN 002418 dated 11 November 2025. Accordingly, the correct foreign currency used in relation to this expenditure was a matter of question during the audit.

(n) Although the loan balance as at 31 December 2025 was USD 12,554,350 as per the Financial Statements of the Government and Stock & Flow Report 01 in relation to Foreign Loan No. 2014027, as per the Loan Balance Confirmation Letters, it was USD 5,570,304 on that date. Accordingly, a difference of USD 6,984,046 was observed. Similarly, in relation to Foreign Loan Balances No. 2016021 and 2016039, as per the Financial Statements of the Government and Stock & Flow Report 01, the loan balance as at 31 December 2025 was EURO 1,171,957 and 1,999,452 respectively, as per the Loan Balance Confirmation Letters on that date, it was EURO 1,180,132 and 2,012,375 respectively. Accordingly, a total change of EURO 21,098 was observed.

1.2.3 Rental and Work advances

The following observations are made.

(a) Although the financial statements of the Government had shown that there was a closing balance of Rs. 22 million on 01 January 2025 under Head 337 Cinnamon Development Department Advance Account No. 9188-337-0-2-0-1-0, such a balance was not included in the financial statements of the respective department and only a blank record was included.

(b) The ACA 5(B) statement relating to the Rent and Work Advances Account was not included in the financial statements of Head 103 – Ministry of Defence. However, according to the Financial Statements of the Government, receipts and credits amounting to Rs. 600,000 were recorded under Rent and Work Advances Account No. 9188-103-0-1-0-5-0 of the Ministry, during the year under review. Further, under Account No. 9188-103-0-1-0-6-0, credits amounting to Rs. 14 million had been recorded during the year under review, with a closing balance of Rs. 14 million as at 31 December 2025.

(c) According to ACA 5(B) statement of the financial statements of Head 219 – Department of Sports Development for the year under review, a balance totaling Rs.87 million relating to 12 projects existed under Rent and Work Advances Account No. 9188-219-0-2-0-33-0 as at 31 December 2025. However, no corresponding balance relating to that Department was reflected within the Rent and Work Advances balances reported in the Financial Statements of the Government for the year under review.

(d) Although the ACA 5(B) statement relating to the Rent and Work Advances Accounts in the financial statements of Head 270 – Ampara District Secretariat for the year under review consisted only of a blank report, the Financial Statements of the Government indicated a closing balance of Rs. 11 million under Account No. 9188-270-0-2-0-1-0 in respect of that expenditure Head.

(e) A total balance of Rs. 2,847,756 which comprised of Rs.1,222,196 under Account No. 9188-122-0-2-0-1-0 and Rs. 1,625,560 under Account No. 9188-122-0-2-0-2-0 had been reported in the Financial Statements of the Government as at 31 December 2025 in relation to Head 122 – Ministry of Tourism and Lands, which had been discontinued as an expenditure Head under the 2025 Budget Estimates. However, the parties from whom these advance balances were recoverable could not be identified during the audit.

1.2.4 Capital Contribution

The following observations are made.

(a) It was observed a differance of 7,382 million in the Government's capital contribution between the direct balance confirmations received in respect of 09 State owned Enterprises and financial statements of the Gpovernment as at 31 December 2025.

(b) When comparing the financial statements of 04 State Owned Enterprises with the financial statements of the Government, it was observed that the total capital contribution as per the financial statements of those institutions as at 31 December 2025 was Rs. 1,174,610 million,

while as per the financial statements of the Government, the balance was Rs. 1,197,490 million, resulting in an overstatement of the capital contribution in the financial statements of the Government as at 31 December 2025 by Rs. 22,880 million.

(c) According to the information submitted by 02 state-owned companies, the total value as per the shares owned by the Government and their nominal value as at 31 December 2025, was Rs.132 million. But, it was stated as Rs.1,272 million in the financial statements of the Government. Accordingly, the capital contribution in the financial statements of the Government as at 31 December 2025 was overstated by Rs. 1,140 million more.

(d) Although the total value as per the number of shares owned by the government in 06 state-owned companies and their nominal value as at 31 December 2025 was Rs.15,976 million, it was stated as Rs.15,522 million in Note No. 17 of the financial statements of the Government. Accordingly, the capital contribution of the Government in the financial statements as at 31 December 2025 was understated by Rs.454 million.

(e) Although a capital contribution of Rs. 40,048 million had been made by the Government in respect of 16 other State-owned companies as at 31 December 2025, the number and value of shares held by the General Treasury in return had not been included in the financial statements of the Government.

(f) According to the financial statements of the Government, the increase in capital contribution of State-owned enterprises during the year under review was Rs. 186,015 million, of which Rs. 35,669 million or 19 percent consisted of funds released from the General Treasury for recurrent expenditure of each institution, namely loan and loan interest payments, salary and wage payments and statutory payments.

(g) Litro Gas Lanka (Pvt) Ltd had transferred 500,000,000 shares of Canwill Holdings (Pvt) Limited to the Secretary to the Treasury by Cabinet Decision No. 25/1273/804/097-1 dated 13 July 2025 and in connection with this share transfer, Canwill Holdings had also issued the share certificate for the share ownership to the Secretary to the Treasury on 31 December 2025. However, the value of this share investment of Rs. 5,000 million had not been accounted for as capital investment in the financial statements of the government as at 31 December 2025.

1.2.5 Foreign Grants

Although it is stated in accordance with State Accounts Circular No. 30/94 dated 20 April 1994 that all transactions related to foreign grants should be carried out by the Director General of the Department of External Resources of the Treasury, according to information obtained on a sample inspection, foreign grants totaling Rs. 656 million had been directly received by 09 institutions during the year 2025 without the informing to the Treasury, and provisions had not been made for those grants and steps had not been taken to include them in the financial statements.

1.2.6 Imprest Accounts

A net variation of Rs. 338 million was observed in comparing the imprest account balances as per the financial statements of the Governement as at 31 December 2025 with the balance as per the financial statements (ACA -3) of the respective institutions.

1.2.7 Deposit Account

The following observations are made.

(a) It was observed that 45 deposit accounts held by 14 institutions had a total deposit balance of Rs. 1,812 million which was more than 2 years.

(b) When comparing the deposit balances in the financial statements of each institution, 6 institutions had shown a total opening balance of Rs. 2,233,629 in the financial statements of the Government of deposits in the year under review and a total balance of Rs. 1,328,572 as at 31 December 2025.

1.2.8 Treasury Guarantees

The following observations are made.

(a) The Treasury had paid a total of USD 14,749,994 and Rs. 13,529 million as loan installments to the Bank of Ceylon, People's Bank and National Savings Bank for loans obtained by 08 State owned Enterprises on Treasury Guarantees and Letters of Comfort issued in 2023 or earlier by way of USD 10,000,000 and Rs. 10,517 million as loan capital repayments and USD 4,749,994 and Rs. 3,012 million as loan interest payments during the year under review. Accordingly, it was further observed that no assessment of the ability to repay had been made while issuing Treasury Guarantees and Letters of Comfort for loans and extending the period.

(b) Thus, although the amount of Rs. 18,098 million paid by the Treasury in the year under review for the settlement of Treasury Guarantees and Letters of Comfort was not a domestic loan to be accounted for in the financial statements of the Government, it was mistakenly shown as a repayment of domestic loans and was indirectly adjusted to the General Fund without adjusting the deficit of the year under review, resulting in an understatement of the deficit of the year under review by Rs. 18,098 million

(c) According to the balance confirmation letters obtained regarding the Treasury Guarantees and Letters of Comfort issued by the Treasury on behalf of the Sri Lanka Engineering Corporation, 03 Treasury Guarantees valued at Rs. 2,399.99 million had been provided to the Bank of Ceylon. However, according to the financial statements of the Government, only 02 Treasury Guarantees valued at Rs. 2,300 million had been provided in return.

(d) During the examination of the values of Treasury Guarantees issued to two commercial banks on behalf of the National Water Supply and Drainage Board, differences totaling Rs. 886.84 million were observed between the values stated in the financial statements of the Government and the values included in the financial statements of the Board.

1.2.9 Non-disclosures in the Financial Statements

The folowing observations are made.

(a) The Ministry of Finance, Planning and Economic Development had identified that USD 1,091,419 or Rs. 333 million was paid to third parties who were not lendors in respect of 04 foreign loans during the year under review. This amount was included in the foreign loan interest expense in the financial statements of the Government. In addition, USD 1,418,011 was paid to such third parties in January 2026, bringing the total payment to such third parties to USD 2,509,430. The amount paid to these third parties was not disclosed in the financial statements.

(b) In accordance with the policy decision issued by the then Ministry of Finance, Economic Stabilization and National Policies on 12 April 2022 to temporarily suspend foreign debt payments, a total of Rs. 278,187 million in principal and Rs. 88,568 million in interest payments were suspended in respect of 185 loan agreements from 13 April 2022 to the end of the year under review. However, no disclosure had been made in the financial statements of the Government regarding this. Moreover, it was further observed that due to the temporary suspension of loan repayments, there is a risk of having to pay a higher value than the normal commitment fee value due to delay in loan repayments when paying the unutilized balance in relation to the above loan agreements from 12 April 2022.

(c) It was observed that no disbursements were received in 2025 in relation to the loans of USD 292,100,000 or Rs. 119,562 million contracted in 2025, and the loans contracted but remained undisbursed were not disclosed in the financial statements.

(d) According to the CS-DRMS Report 300 dated 28 February 2026 received from the Public Debt Management Office, it was observed that as of 31st December 2025, a total of Rs. 446,459 million was due as principal amount of Rs.285,627 million and Rs. 160,833 million as interest amounting to Rs. 285,627 million in respect of the restructured foreign loans. However, this was not disclosed in the financial statements of the Government.

(e) It was observed that there was an amount of Rs. 227 millon in the financial statements of the University of Kelaniya as at 31 December 2025 as Cash Balances- Treasury Funds. However, this was not disclosed in the financial statements of the Government.

(f) Although the sub-loan interest receivable for more than 05 years under the sub-loan agreements in respect of 03 institutions was Rs. 912 million, it had not been disclosed in the Financial Statements of the Government.

(g) The commitment and liability balance in the Financial Statements of the Government had been prepared using only the balances as per the SA 92 format under the CIGAS programme applicable to each Department, Ministry and other expenditure units and as a result, commitment and liability balance of Rs. 1,562 million which was not recorded under the CIGAS programme and exceeded the provision limit had been omitted in the disclosures in the Financial Statements of the Government.

(h) Although Rs.4,730 million was shown as non-operating accounts under Note 28.2 of the Financial Statements, age analysis of the same and the reasons for considering it as inactive were not presented to the audit.

(i) The foreign currency value of the Domestic Dollar Bond loan balance included in the domestic borrowings presented in Note 26 of the Financial Statements of the Government as at 31 December 2025 was not disclosed in the financial statements.

1.2.11 Evidence not submitted for audit

The following observations are made.

(a) Although a balance of Rs. 3,863 million was debited to the foreign debt adjustment account in the statement of financial position during the year under review, sufficient and appropriate evidence to verify the reason for such debiting was not presented to the audit.

(b) Due to the fact that information on Government assets damaged by Cyclone Ditwa was not presented to the audit, it was not possible to verify the adjustments to the property, plant and equipment balance included in the financial statements during the year under review.

(c) Although the total value of property, plant and equipment in the audited government financial statements as at 31 December 2024 was Rs. 4,563,167 million, this balance as at 01 January 2025 of the year under review was Rs. 4,327,325 million. Accordingly, a difference of Rs. 235,842 million was observed between the closing balances of the previous year and the opening balances of the year under review in non-financial assets. Accordingly, sufficient audit evidence was not provided to confirm the impact of this difference on the property, plant and equipment balance at the end of the year under review.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of this report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibilities of the Chief Accounting Officer for the Financial Statements

The Chief Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the Generally Accepted Accounting Principles and provisions of section 38 of the National Audit Act No.19 of 2018 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error. As per Section 16(1) of National Audit Act No.19 of 2018, the Ministry of Finance, Planning and Economic Development is required to maintain proper books and records of all the government's income,

expenditure, assets and liabilities to enable annual and periodic financial statements to be prepared of the government.

In terms of the subsection 38(1)(c) of the National Audit Act No.19 of 2018, the Chief Accounting Officer ensures that an effective internal control system for the financial control exists and carry out periodic reviews to monitor the effectivesness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also,

- Appropriate audit procedures were designed and performed to identify and assess the risks of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- An understanding of internal control relevant to the audit was obtained in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achives fair presentation.

- Evaluate the overall presentation, structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Accounting Officer regarding among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Operational Review

2.1 Laws, Rules and Regulations

The following observations are made.

(a) Public Financial Management Act, No. 44 of 2024

(i) In terms of Section 15 (1) of the Public Financial Management Act No. 44 of 2024, the primary expenditure of the Government shall not exceed 13 percent of the estimated nominal gross domestic product for the relevant financial year. Accordingly, the relevant calculations are as follows.

Year 2025	According to the Budget Performance and Deficit Financing Statements submitted for audit, (Rs. Billion)
Recurrent Expenditure	5,263.0
Government Investment	1,015.8
Total Governmnet Expenditure	6,278.8
Debt interest Payment (-)	(2,500.7)
Primary Expenditure	3,778.1
Estimated Nominal Gross Domestic Production	33,000
Primary Expenditure as a Percentage of Estimated Nominal GDP (%)	11.4

(ii) Parliament passed a supplementary estimate for the 2026 budget, allocating an additional provision of Rs. 500 billion in addition to the budget passed by Parliament for the year 2026, to rebuild the lives of the people and the property damaged by Cyclone Ditwah that affected Sri Lanka in the year 2025. Consequently, according to the economic classification, the primary expenditure as a percentage of the GDP, which was 12.9 percent under the budget estimate passed by Parliament for the year 2026, has increased to 14.3 percent as a percentage of the GDP due to the additional provisions allocated for the reconstruction of the people's lives from the disaster caused by the cyclone, as stated by the Department of Fiscal Policy as deviations from the primary expenditure limit specified in the Medium-Term Fiscal Framework in accordance with Section 16 (1) of the Public Financial Management Act No. 44 of 2024.

(iii) In terms of Section 17 (1) of the Public Financial Management Act, No. 44 of 2024, the aggregate stock of outstanding government guarantees at the end of each financial year shall not exceed 7.5 percent of the average of the gross domestic product of the relevant financial year and the preceding two financial years. Accordingly, the relevant calculations are as follows.

	Rs. Billion
Total outstanding government guarantees at the end of the year 2025	1,079.4
Average Gross Domestic Product	30,128.6
Total outstanding guarantees at the end of the year 2025 as a percentage of average Gross Domestic Product	3.6

(b) Public Debt Management Act, No. 33 of 2024

Following the enactment of the Public Debt Management Act, No. 33 of 2024, which was passed on 18 June 2024 and came into force on 25 November 2024, the Public Debt Management Office was established on 02 December 2024. In terms of the Public Debt Management Act, No. 33 of 2024, the Public Debt Management Office is responsible for management of the debt of the Government, issuance and management of loan guarantees, management of on-lending operations, and recording and reporting of public debt. According to the Press Release issued by the Central Bank of Sri Lanka on 31 December 2025, it was stated that with effect from 01 January 2026, the full responsibility for all the functions performed by the Public Debt Department of the Central Bank of Sri Lanka regarding public debt management will be transferred to the Public Debt Management Office.

(c) Financial Regulations of the Democratic Socialist Republic of Sri Lanka

As per F.R. 373, debit balances of Rs. 41,271 million remained outstanding in 114 imprest accounts of Ministries and Departments, as at 31 December 2025. Out of this, balances of Rs. 102 million relating to 06 expenditure heads had been outstanding for many years, and action had not been taken to settle those balances as at 31 December 2025.

3. Management Activities

3.1 Restructuring of External Debt

The following observations are made.

(a) According to the information submitted to the audit, as at 01 January 2025, the total outstanding balance of JPK 351,743,684 for 87 loan agreements, the outstanding balance of USD 1,057,951,459 for 21 loan agreements, the outstanding balance of EUR 373,148,309 for 37 loan agreements and the outstanding balance of SAR 507,777,850 for 10 loan agreements were remained as a whole. After restructuring, the outstanding balance of was increased to JPK 354,944,802, USD 1,111,947,473, EUR 388,823,987 and SAR 516,951,065, respectively by JPK 3,201,117, USD 53,996,013, EUR 15,675,678 and SAR 9,173,214 respectively.

(b) As at 31 December 2025, Rs. 11,086 million had been incurred on the external debt restructuring process.

(c) According to the information submitted to the audit, 185 loan agreements relating to loan balances of Rs. 473,989 million as at 31 December 2025 obtained from 28 foreign lending institutions were scheduled to be further referred for restructuring process as at 31 December 2025.

3.2 Restructuring of Public Enterprises

The following observations are made.

(a) A "Public Enterprises Restructuring Unit" was established and commenced operations from 01 December 2022 in relation to the restructuring of Public Enterprises. However, as per the Cabinet Decision dated 15 May 2023, although it had been proposed to establish a Holding Company (HOCO) to restructure 72 institutions listed as affiliated companies, such a holding company had not been established even up to 20 May 2026 up to now. However, transaction advisors for the divestment process under the restructuring had ben selected for 8 companies that were listed and proposed to be taken over and restructured by the said holding company, instead of taking over to the holding company. The Cabinet had approved the appointment of transaction consultants for 07 out of the 08 selected institutions in the year 2023 and Rs. 193 million had been paid to the two foreign institutions contracted as transaction consultants in the year 2024 through the General Deposit Account No. 18/62P of the Ministry of Finance. Since the objectives of establishing the "Public Enterprise Restructuring Unit" had not been achieved by 31 December 2024, a new unit named "Public Enterprise Reform Unit" had been established under the Ministry of Finance, Planning and Economic Development by the Cabinet Decision No. අමෙ/25/2028/804/242 dated 04 November 2025 with the aim of acting as a central coordinating institution for the preparation and implementation of reform strategies for State Enterprises. Further, based on Cabinet Memorandum No. 25/1570/804/185 dated 24 August 2025 regarding the appointment of liquidators to close down non-performing State Enterprises submitted by the Minister of Finance, Planning and Economic Development, approval was given to restructure 32 State Enterprises at the Cabinet meeting held on 03 September 2025. Accordingly, although the name of the unit established for the same purpose had been changed during the year under review and it was observed that Rs. 157.7 million incurred from the year 2023 to the end of the year 2025 and Rs. 193 million paid to consultants for maintaining that unit, expected outcome had not been achived even upto 20 May 2026.

(b) According to Note No. 11 of the Budget Performance and Deficit Financing Statement of the Government Financial Statements for the year under review, the repayment of foreign debt (excluding interest) was reported as Rs.424,482 million. According to CS-DRMS Report 724 received from the Public Debt Management Office, it was stated that the repayment of foreign debt (excluding interest) in the year 2028, when the repayment of the restructured debt will commence, may be Rs.664,523 million. Accordingly, it was observed that the repayment of debt installments (excluding interest) in the year 2028, including the debt ,restructured as of 28 February 2026, may increase by Rs.240,042 million or about 57 percent compared to the year under review.

3.3 Utilization of Local and Foreign Grants

The following observations are made.

(a) Grants amounting to Rs. 167 million received from 6 donors for 12 projects prior to the year under review but not utilized for the relevant purpose were returned to the donors during the year under review.

(b) The value of foreign grants received as grants by the Government of Sri Lanka as at 01 January 2025 but not utilized for the relevant purpose and remained inactive as at 31 December 2025 was Rs. 182 million.

(c) Although the Treasury entered into agreements with each foreign doners to receive foreign grants from 01 January 2019 to 31 December 2024, the total value of 05 agreements for which foreign grants had not been received by 31 December 2025 was USD 83,145,360.

(d) During the year under review, the Treasury entered into agreements with 16 foreign-funded projects with a total value of USD 12.9 million, Euro 16 million, Renminbi 215.8 million, Korean Won 11,050 million, Japanese Yen 1,563 million, SDR 2.37 million and Rs. 2,372 million in foreign currency to receive foreign grants, but no evidence was presented to the audit that foreign grants had been received in this regard as at 31 December 2025.

(e) Although grants of Rs. 19 million had been received during the year under review as local grants to the Clean Sri Lanka Program under Deposit Account No. 6000-0-0-19-0-050, no amount had been utilized as at 31 December 2025.

(f) Rs. 10 million received as local grants as at 01 January 2025 for the Construction of Divisional Secretariat related to Deposit No. 6000-0-0-19-0-047 had not been utilized for the purpose by the end of the year under review.

4. Performance

4.1 Gross Domestic Product and Estimate of Revenue

(a) The Gross Domestic Product in 2025 was Rs. 32,751 billion, while the Gross Domestic Product in 2024 was Rs. 30,096 billion. Accordingly, as compared to the previous year, the Gross Domestic Product had increased by Rs. 2,655 billion or 8.8 percent.

(b) According to the original estimate of the annual budget approved by Parliament for the year 2025, the government revenue was Rs. 5,096 billion, while in the previous year it was Rs. 4,239 billion. Accordingly, the government revenue was estimated to have increased by Rs. 857 billion, or about 20 percent, compared to the previous year.

(c) According to the Budget Performance and Deficit Financing Statement included in the financial statements of the Government, the government revenue collected in the year 2025 was Rs. 5,480 billion. Accordingly, there was an increase of Rs. 384 billion when compared

to the annual revenue estimate mentioned above. It was an increase of 34 percent when compared to the actual revenue in the year 2024.

4.2 Revenue Surplus

(a) According to the Budget Performance and Deficit Financing Statement included in the financial statements submitted to the audit for the year under review, the revenue deficit of Rs. 1,309 billion in the previous year had turned into a revenue surplus of Rs. 217 billion in the year under review. The highest revenue deficit during the period from 2006 to 2024 was recorded in the year 2023. Although there was a revenue surplus reported only in the year 2025, this surplus was not sufficient to cover the capital expenditure of the government, resulting in an overall budget deficit of Rs. 799 billion. During that period, the revenue collected in every year except the year 2025 had failed to cover the recurrent expenditure of the government. The minimum revenue deficit was recorded in 2007 and was Rs. 43 billion, representing 7.52 per cent of the government revenue collected. The total revenue deficit during this period was Rs.9,061 billion. Domestic and foreign loans and foreign grants were obtained to cover the said deficit. Accordingly, during that period, domestic loans of Rs. 32,359 billion, foreign loans of Rs. 12,827 billion and foreign grants of Rs. 367 billion were obtained, totaling Rs. 45,553 billion. The revenue deficit was financed by percentages ranging from 4.44 percent to 45.59 percent of the loans and grants obtained in each year.

(b) Loan interest payments amounting to Rs. 2,501 billion had been paid during the year under review, representing 47.52 per cent of the total recurrent expenditure. Interest payments in the previous year amounted to Rs. 2,689 billion, or 50 percent of the total recurrent expenditure. Interest payments had decreased by Rs. 188 billion when compared to the previous year. Furthermore, in accordance with the policy decision to temporarily suspend the external debt servicing issued by the then Ministry of Finance, Economic Stabilization and National Policies on 12 April 2022, certain loan installments and interest payments were suspended from 13 April 2022 until the last day of the year under review. However, it was observed that if the relevant payments were made, the interest expense would have increased further. Interest payments, which were Rs. 151 billion in 2006, had increased by 1,556 per cent to Rs. 2,501 billion by 2025. In 2025, out of the Rs. 5,480 billion government revenue collected according to the Budget Performance and Deficit Financing Statement, Rs. 2,501 billion or 45.64 per cent had to be paid as interest payments.

(c) According to the financial statements of the main revenue collecting institutions, namely the Department of Inland Revenue, Sri Lanka Customs, Excise Department and the Department of Motor Traffic, the total outstanding revenue balance due as at 31 December 2025 was Rs. 2,233 billion. Furthermore, the total outstanding revenue balance due to the revenue collecting institutions, namely the Ministry of Ports and Civil Aviation, the Department of Treasury Operations, the Department of Railways, the Department of Pensions, the Department of Registrar of Companies, the Ministry of Defence and the Department of Forest Conservation, at the end of 2025 was Rs.47.75 billion.

(d) The Inland Revenue Department had not collected a revenue of Rs. 2,164 billion for the year 2025. If that revenue had been collected in 2025, the budget deficit for that year could have been completely reduced. Furthermore, the shortcomings in the Revenue Administration Management Information System, the lengthy nature of the arrears tax appeal process, and the lack of a specialized judicial system to implement judicial proceedings regarding the recovery of arrears of taxes had affected the delay in the collection of arrears of taxes by the Inland Revenue Department.

4.3 Budget Deficit

According to the Budget Performance and Deficit Financing Statement include in the Financial Statements of the Government, the budget deficit for the year 2025 was Rs.799 billion, which was 2.44 per cent of the Gross Domestic Product (GDP). The budget deficit for the previous year was Rs. 2,126 billion, which was 7.11 per cent of the Gross Domestic Product. There was a budget deficit throughout the entire period from 2006 to 2025, and the budget deficit which was Rs. 300 billion in 2006 had increased to Rs.2,126 billion by 2024 and subsequently decreased to Rs. 799 billion by the end of year 2025. The highest budget deficit during that period was recorded in 2023 and it was Rs. 2,584 billion.

4.4 Governement Borrowings

(a) According to the financial statements of the Government, the debt balance payable by the government at the end of 2025 was Rs. 31,111 billion. This balance consisted of Rs. 19,435 billion of domestic debt and Rs. 11,676 billion of foreign debt. In 2024, the government's debt balance was Rs. 29,628 billion. Accordingly, the debt balance in 2025 had increased by Rs. 1,483 billion or 5 per cent compared to 2024. According to the financial statements of the Government for the year 2024, the debt balance was Rs. 29,628 billion, which was 99.10 per cent of the Gross Domestic Product, and by the end of the year 2025, the debt balance had reduced to 95 per cent of the Gross Domestic Product.

(b) According to the information submitted to the audit by the Department of External Resources and the Public Debt Management Office, the estimated and actual disbursements of government loans and grants for the year 2025 are as follows.

Development Partners	Estimated disbursements including grants 2025 (USD Million)	Actual disbursement value including grants 2025 (USD Million	Variance (USD Million)	Variance, as a percentage of estimated disbursements (%)
World Bank	331	169	(162)	(49)
Asian Development Bank	504	517	13	3
China	42	-	(42)	(100)
Japan	97	19	(78)	(80)
Korea	13	1	(12)	(92)
Middle East Countries	70	-	(70)	(100)
India	65	13	(52)	(80)

Russia, Australia, and Western Countries	37	3	(34)	(92)
International Fund for Agriculture Development	26	4	(22)	(86)
Asian Infrastructure Investment Bank	24	40	16	67
IMF	-	682	682	-
International Bank for Reconstruction and Development	-	32	32	-
European Investment Bank	-	9	9	-
Saudi Fund for Arab Economic Development	-	21	21	-
OPEC	-	64	64	-
	1,207	**1,574**	**365**	

The following observations are made in this regard.

(i) Although the total value of the estimated disbursements for the year 2025 was USD 1,207 million, the actual disbursements were USD 1,574 million, which resulted in an increase of USD 365 million, or about 30 per cent, over the estimated disbursements.

(ii) The actual disbursment value of loans obtained from development partners, the Asian Development Bank and the Asian Infrastructure Investment Bank, had increased by 3 per cent and 67 per cent respectively, compared to the disbursement estimate.

(iii) Expected borrowings from the World Bank, Japan, South Korea, India, IFAD, Russia, Australia and Western countries had decreased by 49, 80, 92, 80, 86 and 92 percent respectively.

(iv) Although it was estimated to obtain loans from China and Middle East countries during the year under review, no loans had been obtained by the end of the year.

(v) Although it could have been expected that there would be disbersments as per the agreement with the International Monetary Fund (IMF), it had not been included in the estimate of disbersments for the year under review.

4.6 Profits and Dividends

The following observations are made.

(a) Although during the year under review, 04 state owned enterprises were estimated to collect a profit income of Rs. 205 million, no income was collected by these institutions during the year under review.

(b) Although there are 41 corporations and 70 statutory boards under the supervision of the Department of Public Enterprises that should be included under revenue code 20.02.03.00 (Profit), only 51 institutions, or 45 per cent of the total, were included in the revenue

estimate for the year 2025 that would contribute to profit. Accordingly, 55 per cent of public enterprises were estimated as state owned enterprises that could not contribute to profit income.

(c) Revenue Code 20.02.04.00 for the year 2025 - the revised estimated revenue for dividend income was Rs. 12,595 million and the actual revenue was Rs. 9,211 million, resulting in a revenue collection of Rs. 3,384 million or 26 per cent less than the estimated revenue. Furthermore, although a dividend income of Rs. 1,472 million was estimated from 05 state owned enterprises, no contribution had been made to the dividend income during the year under review from those institutions.

(d) Although, as per paragraph 5.3 of the Operational Manual for Public Enterprises issued by the Department of Public Enterprises on 16 November 2021, at least 30 percent of the after-tax profit of the Public Companies established under the Companies Act No. 07 of 2007, which ensures their viability, should be remitted to the Consolidated Fund, a total dividend income of Rs. 4,233 million had not been collected from the after-tax profit of the year 2024 of 04 Public Companies in the year under review.

5. Other Observations

The following observations are made.

(a) As at 31 December 2023, the Department of Extrenal Resources had provided information on how sovereign immunity had been waived in relation to only 706 of the 755 project loans that the Government of Sri Lanka had obtained. Accordingly, it was observed that loan agreements relating to 114 foreign project loans contained clauses waiving sovereign immunity in various ways.

(b) The balances of 10 Government Approved Advance Accounts under 04 Heads, totaling Rs. 1,355 million, had been maintained for many years as at 31 December 2025 without being properly settled or dealt with in accordance with Financial Regulation 518.

(c) According to the age analysis of advances to Government officers (8493) submitted as at 31 December 2025, the balance due from officers transferred to government ministries/departments, officers transferred to institutions under provincial council, deceased officers, officers who had vacated their posts, officers who were suspended, retired officers and others for a period of 5 to 10 years was Rs. 99 million and the balance for more than 10 years included in it was Rs. 228 million.

(d) According to the financial statements of the Government, there was a sub-loan balance of Rs. 234,140 million as at 31 December 2025 and according to the age analysis presented, due to non-payment of sub-loan agreements by the relevant institutions, an outstanding sub-loan installment balance of Rs. 1,209 million was to be recovered for more than 05 years in relation to 03 institutions. Furthermore, although not included in the age analysis, 4 outstanding sub-loan balances of Rs. 116 million remained uncollected for a long time.

(e) When comparing the sub-loan balances as of the beginning and end of the year under review in the Government Financial Statements with the balances as per the loan balance confirmation letters received from each of the relevant sub-loan granting institutions, the Financial Statements of the Government showed an overstatement of the loan balance as at 01 January 2025 by Rs. 795 million and the overstatement of the sub-loan balance as of 31 December 2025 by Rs. 2,088 million.

(f) The introduction of an Integrated Treasury Management Information System (ITMIS) to automate treasury operations was initiated in 2010, and the total estimated investment cost was Rs. 60 million equivalent to US$ 7,920 million. As at 31 December 2024, a total of Rs. 6,605 million had been incurred for this purpose, while an expenditure of Rs. 338 million had been incurred under the expenditure heads of the Department of Information Technology Management and the Ministry of Finance, Planning and Economic Development during the year under review. Accordingly, although a total of Rs. 6,943 million had been incurred as at 31 December 2025, and approximately 15 years had elapsed by the end of the year under review, the 13 core areas of activity expected to be implemented through this system had not been fully developed and operationalized.

(g) Furthermore, without establishing and implementing the payroll management activity area that was expected to be implemented within this ITMIS system from the beginning, another payroll management system called e-Payroll was introduced only to the Ministry of Finance in 2016, and an expenditure of Rs. 6,659,742 was incurred for it as on31 December 2025.

(h) When analyzing the financial statements of the Provincial Councils for the year 2025, Rs. 530,292 million had been provided as government grants to the 09 Provincial Councils during the year under review. The revenue collected by the said Provincial Councils excluding government grants was Rs. 118,757 million and this included investment income of Rs. 9,931 million. The total amount of cash and cash equivalents of all the Provincial Councils as at 31 December 2025 was Rs. 62,585 million and the investment value related to 06 Provincial Councils was Rs. 95,725 million. Accordingly, it was observed that the 9 Provincial Councils have highly liquid assets of Rs. 158,310 million and generate high investment income from them. It was a questionable point for the audit whether this high liquidity position of these institutions was taken into consideration when providing government grants to the Provincial Councils.

(i) In order to rebuild the infrastructure damaged by Cyclone "Ditwah" and restore the lives of the people, Cabinet Paper No. 25/2260/801/028 dated 02 December 2025 had approved the establishment of the Rebuilding Sri Lanka Fund as a statutory fund under the Presidential Secretariat and the maintenance of separate bank accounts exclusively for the use of contributions collected from disaster-related donors. However, even such a statutory fund had not been established as at 20 May 2026. Nevertheless, the grants for that purpose had been collected under the existing bank accounts in the name of the Deputy Secretary to the Treasury and a total of Rs. 5,656 million had been received as at 31 December 2025.

(j) According to information received from the Department Treasury Operations as at 31 December 2025, Rs. 33,087 million had been provided from the Treasury's financial allocations under 02 ministries, 03 departments, 25 district secretariats and one local government institution for the reconstruction of infrastructure facilities damaged by Cyclone Ditwa and the restoration of public life.

(k) According to the financial statements of the Government for the year under review, it was observed that treasury guarantees worth Rs. 122,000 million and Euro 12.29 million issued to external institutions on 03 occasions and letters of credit worth Rs. 880 million issued on 02 occasions had expired by 31 December 2025, and no steps had been taken to formally terminate or extend the validity period before the relevant validity period expired.

(l) According to the financial statements of the Government for the year under review, the treasury Guarantee of Rs. 22,000 million given to the Bank of Ceylon on 04 January 2023 on behalf of Lanka Call Company Private Limited had expired on 22 October 2025. However, according to the information submitted to the audit, although this was mentioned under the Treasury Guarantees extended during the year under review, the date up to which the extension was made was not mentioned. Accordingly, the audit could not ascertain whether this Treasury Guarantee had been extended by 31 December 2025.

(m) Liquidators had been appointed for 27 non-operational state-owned enterprises through Cabinet Decision No. 25/1570/804/185 dated 09 October 2025, relating to their closure. However, during the year under review, the General Treasury had provided a capital contribution of Rs. 10,148 million to two state-owned enterprises that remained inactive. It was informed to the audit that this capital contribution had been made because budgetary provisions had been allocated through the Appropriation Act.

Sgd./L.S.I. Jayaratna
Auditor General

L. S. I. Jayaratna
Auditor General

Statistical Appendix

Table 1 | Sri Lanka: Demographic and Related Trends

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
Mid Year Population	'000	20,869	20,328	20,483	20,771	20,966	21,203	21,444	21,670	21,803	21,919	22,156	22,181	22,037	21,916	21,756
Mid- Year Population by Age Group [e]	'000															
0 -14 Years		5,488	5,132	5,171	5,235	5,288	5,348	5,411	5,470	5,504	5,534	5,596	5,603	5,568	5,538	4,502
15- 64 Years		14,065	13,604	13,707	13,901	14,030	14,187	14,349	14,499	14,589	14,665	14,823	14,840	14,742	14,662	14,520
65 Years and Over		1,316	1,592	1,605	1,635	1,648	1,668	1,684	1,701	1,710	1,720	1,737	1,738	1,727	1,716	2,734
Growth of Population [g]	%	1.0	0.9	0.8	0.9	0.9	1.1	1.1	1.1	0.6	0.5	1.1	0.1	-0.6	-0.5	-0.7
Density of Population	Persons per sq. km	333	324	327	331	334	338	342	346	348	350	353	354	351	352	349
Life Expectancy at Birth	Years	74.9	75.1	74.3	74.9	75	n.a.	75.5	n.a.	n.a.	n.a.	n.a.	n.a	n.a	n.a	n.a
Crude Birth Rate	Per '000	17.4	17.5	17.9	16.9	16.0	15.6	15.2	15.1	14.6	13.8	12.9	12.4	11.2	10.1	9.9
Crude Death Rate	Per '000	5.9	6.0	6.2	6.2	6.3	6.2	6.5	6.4	6.7	6.0	7.4	8.1	8.2	7.8	7.9
Infant Mortality Rate (IMR)	Per '000 Live Births	–	8.3	8.3	7.6	7.5	n.a.	n.a.	n.a	7.4	6.4	n.a.	7.4	n.a	n.a	n.a
Maternal Mortality Rate (MMR)	Per 100,000 Live Births	25.1	25.6	26.8	25.7	23.2	n.a.	n.a.	n.a.	22.6	24.9	n.a.	22.6[h]	n.a	n.a	n.a
Net Migration Rate	Per '000	-2.2	-2.6	-2.3	-2.0	0.7	2.1	2.3	0.8	-2.3	-4.3	-4.3	-9.7	-8.1	n.a	n.a
Dependency Ratio	%	48.4	49.4	52.9	49.4	49.1	49.4	49.4	49.4	49.4	49.4	49.4	49.4	49.5	49.5	49.8
Dependency Ratio – 65 years and Over	%	9.36	11.70	14.10	11.80	11.50	11.76	11.74	11.73	11.72	11.72	11.72	11.71	11.70	11.70	n.a
Literacy Rate [b]	Overall % of Population	92.2	95.7	92.5	93.3	93.2	93.1	92.6	92.6	92.9	93.0	93.0	93.1	93.2	93.2	n.a
Computer Literacy Rate [c]	% of Population	35.0	37.0	40.0	24.9	27.1	27.6	28.6	29.0	30.8	32.3	35.0	36.0	39.5	36.4	38.4[f]
Average Daily Calorie Intake	Kilocalories	2,094	–	2,111	-	–	–	2,095[d]	2,095[d]	2,120[d]	2,120[d]	2,120[d]	2,120[d]	2,120[d]	2,120[d]	2,120[d]

Source: Department of Census and Statistics, Department of Immigration and Emigration and Ministry of Education

[a] Provisional

[b] Based on Quarterly Labour Force Survey conducted by DCS

[c] Computer Literacy Survey 2006/07,2009, 2014 & 2017

[d] Household Income and Expenditure Survey in 2016 and 2019

[e] Based on Census of Population and Housing 2012,Department of Census and Statistics

[f] First 6 months

[g] As reported by Registrar General's Department

[h] As reported by Registrar General's Department- 2019

n.a. not available

Table 2 | Climate

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual Rainfall (Average) Total	mm	**2,027**	**1,776**	**1,687**	**2,375**	**2,387**	**1,351**	**1,757**	**1,944**	**2,054**	**1,613**	**2,312**	**1,966**	**2,536**	**2,371**	**2,325**
Highest Rainfall																
Cities with Highest Rainfall	mm															
Anuradhapura		114.4	130.8	145.4	162.5	121.6	192.5	122.4	92.1	172.1	128.8	154.7	156.4	165.3	155.9	207.3
Badulla		131.6	102.9	108.6	195.9	79.4	73.8	78.8	69.7	93.4	70.4	96.6	182.2	215.3	172.0	246.6
Batticaloa		312.2	127.5	229.2	147.8	182.9	210.6	97.4	145.9	127.3	180.3	142.4	185.3	199.6	197.4	192.5
Colombo		81.9	114.6	134.3	102.8	114.4	256.9	95.2	125.9	148.3	150.8	140.6	239.0	339.3	344.2	246.8
Hambantota		100.6	176.5	104.8	112.0	92.2	104.0	75.4	60.3	94.9	40.1	99.3	74.0	204.2	116.2	115.9
Kandy		137.3	181.2	94.8	139.6	80.4	133.5	64.5	74.9	71.6	70.6	99.4	197.3	226.5	202.9	231.4
Kurunegala		144.4	315.5	139.6	162.6	97.9	156.4	85.2	104.8	188.6	100.2	93.1	224.2	240.0	249.7	226.9
Nuwara Eliya		94.1	109.5	73.2	77.1	120.0	78.7	73.6	65.2	106.8	62.0	91.9	182.8	215.7	179.7	289.4
Ratnapura		166.9	99.1	114.9	178.1	82.7	136.0	348.5	181.3	184.0	193.3	147.2	437.7	478.1	485.2	373.5
Vavuniya		123.2	225.7	81.8	205.2	136.5	202.5	93.6	88.6	77.6	138.5	77.1	156.0	204.7	153.8	208.3
Annual Average Minimum Temperature	^{0}c															
Low Country		24.7	24.2	24.3	23.4	24.3	24.7	24.4	24.1	24.6	24.7	24.5	24.3	24.8	25.1	24.8
Hill Country		17.1	16.8	17.1	17.1	16.9	17.2	18.2	16.9	17.2	17.0	17.3	17.1	17.7	18.0	17.7
Annual Average Maximum Temperature	^{0}c															
Low Country		31.1	32.1	31.7	31.9	32.0	32.6	32.1	31.8	32.2	32.3	31.8	31.6	32.1	32.5	32.1
Hill Country		26.0	26.1	25.3	25.7	25.9	26.5	27.3	25.8	27.7	25.8	26.2	25.6	26.1	26.7	26.0

Source: Department of Meteorology

Note: Badulla, Bandarawela, Nuwaraeliya and Katugastota stations have been considered for the calculation of hill country temperature.

Table 3 | Gross Domestic Product (GDP), Inflation and Exchange Rate

Year	GDP								Inflation		Exchange Rate							
	GDP at Current Market Prices (Rs. Mn.)	GDP at Current Market Prices (USD Mn.)	Per Capita GDP at Current Market Price		Real GDP Growth (%)	Share of GDP (at Current Market Prices) (%)			GDP Deflator (%) (1996 =100)	Annual Average Price Change of CCPI (%)	Annual Average Price Change of NCPI (%)	End Year			Annual Average			
			Rs.	USD		Agriculture	Industry	Services				USD	Yen	Euro	Indian Rs	USD	Yen	Euro	Indian Rs
2011	7,491,156	67,750	345,544	3,125	8.4	9.5	29.1	53.4	3.8	6.7[d]	-	113.90	1.47	147.42	2.15	110.57	1.39	153.86	2.39
2012	8,989,301	70,449	427,538	3,351	9.1	7.9	31.0	54.2	10.8	7.6[d]	-	127.16	1.48	168.12	2.33	127.60	1.60	164.00	2.39
2013	9,938,390	76,976	465,976	3,609	3.4	7.9	30.8	54.5	6.2	6.9[d]	-	130.75	1.24	180.45	2.11	129.11	1.32	171.51	2.21
2014	10,775,312	82,532	498,660	3,819	5.0	8.1	30.5	54.6	2.9	3.3[d]	-	131.05	1.10	159.42	2.07	130.56	1.24	173.45	2.14
2015	11,566,987	85,089	551,597	4,059	5.0	8.2	29.5	54.2	0.6	2.2[f]	3.8 [f]	144.06	1.20	157.37	2.17	135.94	1.12	150.84	2.12
2016	12,812,975	87,992	604,129	4,149	4.2	7.3	30.5	53.4	5.4	4.0[f]	4.0 [f]	149.80	1.29	157.87	2.21	145.60	1.34	161.16	2.17
2017	14,387,319	94,356	670,644	4,398	6.5	7.4	31.1	52.2	5.5	6.6[f]	7.7 [f]	152.85	1.36	182.49	2.39	152.46	1.36	171.73	2.34
2018	15,351,933	94,749	708,442	4,372	2.3	7.6	30.1	53.6	4.3	4.3 [f]	2.1[f]	182.75	1.65	208.99	2.61	162.54	1.47	191.71	2.38
2019	15,910,976	88,989	729,493	4,080	-0.2	7.3	29.2	55.7	3.9	4.3[f]	3.5[f]	181.63	1.67	203.67	2.55	178.78	1.64	200.14	2.54
2020	15,646,254	84,420	713,561	3,850	-4.6	8.3	28.2	57.8	3.1	4.6[f]	6.2[f]	186.41	1.81	229.42	2.55	185.52	1.74	212.07	2.50
2021	17,612,370	88,611	794,926	3,999	4.2	8.8	30.0	55.9	8.0	6.0[f]	7.0[f]	200.43	1.74	226.86	2.69	198.88	1.81	235.10	2.69
2022	24,063,162	76,841	1,084,855	3,464	-7.3	8.4	29.8	57.1	47.5	46.4[f]	50.4[f]	363.11	2.74	386.93	4.39	324.55	2.44	339.04	4.11
2023[a]	27,539,080	84,131	1,249,675	3,818	-2.0	8.0	25.7	60.1	16.8	17.4[g]	16.5[g]	323.92	2.29	358.75	3.90	327.53	2.34	354.11	3.97
2024[a]	30,095,825	99,634	1,373,235	4,546	5.0	8.4	25.5	57.5	4.1	1.2[g]	1.6[g]	292.58	1.87	304.56	3.42	302.12	2.00	327.05	3.61
2025[b]	**32,750,844**	**108,837**	**1,505,371**	**5,003**	**5.0**	**8.4**	**25.4**	**54.6**	**3.7**	**-0.5[g]**	**0.2[g]**	**309.99**	**1.98**	**363.96**	**3.45**	**300.95**	**2.01**	**340.59**	**3.45**

Source : Department of Census and Statistics

[a] Revised

[b] Provisional

[c] 2002=100

[d] 2006/07=100

[e] National Accounts data from 2003 onwards based on the GDP estimates of the Department of Census and Statistics with base year 2002. From 2010 onwards, data is based on the year 2010 GDP estimates of the Department of Census and Statistics. National Accounts estimates were revised in 1982 and 1996 by Central Bank of Sri Lanka.

[f] 2013=100

[g] 2021=100

Table 4 | Gross Domestic Product -Sectoral Composition 2015 Constant Prices (2015 = 100)

Rs. Million

	Sector	2016	2017	2018	2019	2020	2021	2022	2023[a]	2024[a]	2025[b]
	Agriculture, Forestry and Fishing	**906,100**	**889,557**	**945,292**	**949,582**	**941,046**	**950,548**	**911,252**	**911,839**	**916,971**	**929,668**
1	Growing of Cereals (except rice)	15,972	14,371	14,676	13,355	21,342	21,949	16,507	15,971	16,635	16,676
2	Growing of Rice	81,151	73,247	106,333	112,919	121,663	107,359	94,730	110,946	115,438	121,533
3	Growing of Vegetables	110,669	104,540	105,072	102,037	111,088	109,147	103,161	97,959	97,173	90,317
4	Growing of Sugar cane, Tobacco and other non-perennial crops	3,892	3,267	3,116	3,275	4,021	3,729	3,803	3,742	3,697	3,850
5	Growing of Fruits	59,191	63,514	70,906	77,200	81,823	72,949	73,310	73,995	75,472	76,927
6	Growing of Oleaginous Fruits (Coconut, King Coconut, Oil palm)	103,335	85,798	89,706	102,800	92,197	102,490	111,196	104,758	92,716	100,334
7	Growing of Tea (Green Leaves)	70,662	73,767	75,219	72,733	67,971	74,604	62,867	61,912	63,080	63,966
8	Growing of other beverage crops (Coffee, Cocoa, etc)	1,492	1,407	1,748	1,302	1,613	1,352	1,229	1,141	1,169	1,051
9	Growing of spices, aromatic, drug and pharmaceutical crops	86,234	86,727	91,543	90,880	93,776	97,767	101,653	99,982	101,492	101,792
10	Growing of Rubber	24,526	25,583	26,050	24,029	24,081	26,464	23,871	22,024	22,910	21,541
11	Growing of other perennial crops	25,438	26,157	27,185	28,751	29,781	26,963	27,533	28,086	25,005	23,729
12	Animal Production	81,672	90,822	94,582	90,284	86,907	94,039	83,307	83,645	97,155	107,309
13	Plant propagation	849	961	795	772	622	813	965	728	596	763.22
14	Agricultural supporting activities	23,156	16,811	23,159	22,969	26,102	29,019	33,062	32,888	28,966	30,552
15	Forestry & Logging	46,078	51,611	44,606	43,133	42,587	44,348	50,931	47,221	46,227	51,191
16	Marine Fishing and Marine Aquaculture	154,249	151,558	149,782	141,700	111,307	112,814	95,447	100,099	104,949	104,850
17	Fresh water fishing Fresh water Aquaculture	17,536	19,417	20,815	21,444	24,166	24,742	27,682	26,739	24,290	13,288
	Industries	**3,670,106**	**4,145,813**	**4,101,467**	**3,933,728**	**3,724,566**	**3,937,895**	**3,308,573**	**3,002,981**	**3,337,231**	**3,597,326**
18	Mining and Quarrying	296,763	331,386	322,522	318,658	284,079	287,969	198,613	154,313	184,430	215,568
19	Manufacture of Food, Beverages and Tobacco Products	838,355	855,603	896,813	929,371	980,863	1,014,150	869,371	899,739	954,559	1,004,413
20	Manufacture of Textile, Wearing Apparel and Leather Related products	419,018	441,181	463,618	469,028	416,312	473,911	511,863	450,438	500,445	540,558
21	Manufacture of Wood and Products of Wood and Cork, except Furniture	38,341	38,346	39,879	36,321	32,831	35,579	29,758	23,807	24,975	26,232
22	Manufacture of Paper Products, Printing and Reproduction of Media Products	53,085	56,009	57,716	54,064	51,896	56,811	52,069	47,259	48,734	53,846
23	Manufacture of Coke and Refined Petroleum Products	22,237	21,395	19,846	24,630	22,108	15,492	6,474	21,895	19,690	23,026
24	Manufacture of Chemical Products and Basic Pharmaceutical Products	80,785	84,781	88,399	90,144	92,157	95,793	82,349	82,949	90,995	93,549
25	Manufacture of Rubber and Plastic Products	91,787	102,246	101,890	98,429	81,182	97,436	67,505	56,157	60,973	62,587
26	Manufacture of Other Non-metallic Mineral Products	87,492	97,743	102,554	107,062	102,685	119,973	85,182	84,670	86,816	100,890

Table 4 | Gross Domestic Product -Sectoral Composition 2015 Constant Prices (2015 = 100) contd...

Rs. Million

	Sector	2016	2017	2018	2019	2020	2021	2022	2023[a]	2024[a]	2025[b]
27	Manufacture of Basic Metals and Fabricated Metal Products	66,089	76,380	84,102	80,312	77,859	81,174	58,780	60,303	70,963	82,144
28	Manufacture of Machinery and Equipment	58,083	63,885	64,638	66,114	65,187	73,090	59,181	50,229	53,372	54,145
29	Manufacture of Furniture	91,297	92,650	88,078	95,470	81,651	82,694	60,837	56,089	61,740	63,528
30	Other Manufacturing and Repair and Installation of Machinery and Equipment	88,689	97,692	97,155	96,432	87,586	101,048	79,088	66,747	72,427	68,239
31	Electricity, Gas, Steam and Air Conditioning Supply	154,072	159,607	175,518	184,041	180,176	188,924	178,059	174,017	184,480	201,472
32	Water Collection, Treatment and Supply	17,812	18,948	15,857	14,701	15,908	13,099	14,059	11,590	11,900	12,584
33	Sewerage, Waste, Treatment and Disposal Activities	23,196	25,562	27,271	29,253	28,960	27,992	28,070	27,955	28,319	30,612
34	Construction	1,243,005	1,582,397	1,455,612	1,239,700	1,123,127	1,172,761	927,321	734,823	882,411	963,935
	Services	**6,567,892**	**6,807,557**	**7,099,084**	**7,307,036**	**7,166,506**	**7,410,705**	**7,217,485**	**7,256,690**	**7,431,130**	**7,676,443**
35	Wholesale and Retail Trade	1,453,289	1,509,059	1,579,590	1,636,752	1,650,889	1,675,083	1,675,534	1,677,941	1,697,914	1,722,223
36	Transport of Goods and Passenger including Warehousing	1,299,605	1,342,326	1,370,263	1,398,230	1,313,312	1,325,233	1,364,679	1,428,381	1,461,417	1,505,214
37	Postal Courier Activities	15,957	16,385	16,495	17,099	17,620	18,886	19,780	20,349	21,416	23,320
38	Accommodation, Food and Beverage Service Activities	213,001	219,701	230,929	216,976	128,556	130,743	166,030	209,106	276,975	311,444
39	Programming and Broadcasting Activities and Audio Video Productions	45,736	45,416	40,839	42,752	43,841	42,161	37,350	36,551	37,760	38,502
40	Telecommunication	70,727	79,288	87,840	103,325	118,845	131,952	140,524	137,078	142,540	146,976
41	IT Programming Consultancy and Related Activities	124,840	143,360	158,565	175,634	194,893	243,971	238,455	232,331	246,185	277,594
42	Financial Service Activities and Auxiliary Financial Services	405,268	439,437	511,418	510,367	557,357	596,106	529,744	475,201	491,206	543,449
43	Insurance, Reinsurance and Pension Funding	91,882	95,004	111,838	120,550	117,595	148,658	78,187	103,519	88,934	101,901
44	Real Estate Activities, Including Ownership of Dwelling	512,192	549,511	580,367	610,231	604,259	630,570	554,456	521,463	543,273	562,911
45	Professional Services	266,733	271,832	282,095	297,462	287,781	301,890	248,468	254,360	263,382	269,829
46	Public Administration and Defence; Compulsory Social Security	616,412	589,829	600,932	605,938	616,176	621,834	629,031	618,542	600,314	592,529
47	Education	256,481	269,953	267,448	283,605	284,751	290,475	302,435	307,712	314,759	318,736
48	Human Health Activies, Residential Care and Social Work Activities	207,484	219,153	228,368	235,136	246,735	260,482	237,677	236,087	234,361	241,337
49	Other Personal Service Activities	988,285	1,017,303	1,032,097	1,052,980	983,900	992,662	995,154	998,069	1,010,693	1,020,480
	Gross Value Added (GVA), at basic prices	**11,144,098**	**11,842,927**	**12,145,842**	**12,190,346**	**11,832,118**	**12,299,149**	**11,437,311**	**11,171,510**	**11,685,332**	**12,203,438**
	(+) Taxes less Subsidies on Products	**1,007,442**	**1,093,685**	**1,089,616**	**1,015,930**	**763,432**	**826,356**	**723,576**	**742,640**	**823,623**	**925,140**
	Gross Domestic Product(GDP), at market prices	**12,151,540**	**12,936,612**	**13,235,458**	**13,206,276**	**12,595,550**	**13,125,505**	**12,160,886**	**11,914,150**	**12,508,954**	**13,128,577**

Source: Department of Census and Statistics and Central Bank of Sri Lanka

[a] *Revised*

[b] *Provisional*

Note: Rebased GDP estimates (base year 2015) of the Department of Census and Statistics have been used from 2015 onwards.

Table 5 | Savings, Investments and Selected External Sector Indicators

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Investment [c]	Rs. Bn	2,409	3,411	3,189	3,348	3,415	3,341	4,211	5,842	5,427	5,168	6,467	6,883	6,741	7,929	9,709
Savings [c][d]	Rs. Bn	1,897	2,909	2,865	3,088	3,157	3,087	3,860	4,781	4,508	4,202	5,166	6,026	6,150	7,144	8,440
Savings – Investment Gap [c]	Rs. Bn	-511	-502	-324	-259	-259	-254	-351	-1,062	-919	-966	-1,301	-858	-592	-785	-1,269
Investment [c]	% of GDP	33.4	39.1	33.2	32.3	29.5	26.1	29.3	38.1	34.1	33.0	36.7	28.6	24.6	26.3	29.6
Savings [c][d]	% of GDP	26.3	33.3	29.9	29.8	27.3	24.1	26.8	31.1	28.3	26.9	29.3	25.0	22.4	23.7	25.8
Savings – Investment Gap [c]	% of GDP	-7.1	-5.7	-3.4	-2.5	-2.2	-2.0	-2.4	-6.9	-5.8	-6.2	-7.4	-3.6	-2.2	-2.6	-3.9
Exports of Goods	USD Mn	10,559	9,774	10,394	11,130	10,546	10,310	11,360	11,890	11,940	10,047	12,499	13,106	11,911	12,772	13,581
Imports of Goods	USD Mn	20,269	19,190	18,003	19,417	18,935	19,183	20,980	22,233	19,937	16,055	20,637	18,291	16,811	18,841	21,480
Trade Balance	USD Mn	-9,710	-9,417	-7,609	-8,287	-8,388	-8,873	-9,620	-10,343	-7,997	-6,008	-8,138	-5,185	-4,900	-6,069	-7,899
	% of GDP	-14.9	-13.8	-10.2	-10.4	-9.9	-10.1	-10.2	-11.0	-9.0	-7.1	-9.2	-7.0	-5.9	-6.1	-7.3
Exports of Goods & Services	USD Mn	13,644	13,562	15,079	16,735	16,943	17,448	19,084	20,264	19,414	13,083	14,974	16,169	17,327	19,682	20,647
Imports of Goods & Services	USD Mn	22,256	21,678	21,508	23,142	23,006	23,442	25,401	26,841	24,562	18,271	21,526	19,244	19,174	22,317	24,838
Exports and Imports of Goods & Services	USD Mn	35,899	35,239	36,587	39,877	39,949	40,890	44,485	47,105	31,877	26,103	33,136	31,397	28,722	41,999	45,486
Foreign Remittances	USD Mn	5,145	5,985	6,407	7,018	6,980	7,242	7,164	7,015	6,717	7,104	5,491	3,789	5,970	6,575	8,076
Earnings from Tourism	USD Mn	830	1,039	1,715	2,431	2,981	3,518	3,925	4,381	3,607	682	507	1,136	2,068	3,169	3,219
Earnings from Computer and Information Services	USD Mn	355	564	604	628	677	724	786	848	899	971	1168	1066	795	971	903
Current Account Balance	USD Mn	-4,615	-3,982	-2,541	-1,988	-1,883	-1,742	-2,309	-2,799	-1,848	-1,083	-3,284	-1,448	1,439	1,207	1,719
	% of GDP	-7.1	-5.8	-3.4	-2.5	-2.2	-2.0	-2.4	-3.0	-2.1	-1.3	-3.7	-1.9	1.7	1.2	1.6
Foreign Direct Investments including loans	USD Mn	1,066	1,382	1,438	1,635	1,160	1,078	1,839	2,071	1,112	593	(928)	1,151	707	734	1,056
Inflows	USD Mn	956	941	933	894	680	897	1,373	1,614	743	434	592	884	713	759	1,044
Outflows	USD Mn	60	64	65	67	53	237	72	68	77	15	17	15	51	110	98
Loans & Other	USD Mn	170	505	571	808	533	418	538	525	445	174	(1,503)	282	46	85	110
Portfolio Investments	USD Mn	-171	2,126	2,068	2,065	686	993	1,771	129	2,313	2,383	(1,547)	370	758	122	(8)
Inflows	USD Mn	452	2,116	2,068	2,065	686	993	1,771	129	2,313	2,383	(1,547)	370	931	302	(267)
Outflows	USD Mn	623	-10	0	-0.2	...	...	...	...	...	...	...	....	173.4	179.9	-258.8
Total Reserves	USD Mn	7,991	8,586	8,574	9,884	9,337	8,433	10,436	9,583	10,402	8,521	6,122	5,874	9,373	11,230	12,306
Gross Official Reserves	USD Mn	6,749	7,106	7,495	8,208	7,304	6,019	7,959	6,919	7,642	5,664	3,139	1,898	4,392	6,122	6,838
Total External Debt	USD Mn	32,748	37,098	39,905	42,914	44,839	46,418	51,604	52,412	54,811	49,041	51,775	49,667	54,257	55,215	54,807

Source: Department of census and Statistics and Central Bank of Sri Lanka
... negligible
(a) Revised
(b) Provisional
(c) Rebased GDP estimates (base year 2015) of the Department of Census and Statistics have been used from 2018 onwards.
(d) National Savings
Note: Since 2012, refers, to data on "Computer Services" and "Portfolio Investment" as per BPM6 Presentation Format.

Table 6 | Economic Classification of Government Fiscal Operations

Rs. Million

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
1. Revenue and Grants	**983,003**	**1,067,533**	**1,153,306**	**1,204,621**	**1,460,892**	**1,693,557**	**1,839,562**	**1,932,459**	**1,898,808**	**1,373,308**	**1,463,810**	**2,012,589**	**3,074,324**	**4,090,808**	**5,485,552**
1.1 Total Revenue	967,862	1,051,462	1,137,447	1,195,206	1,454,878	1,686,061	1,831,531	1,919,974	1,890,899	1,367,960	1,457,071	1,979,184	3,048,822	4,030,838	5,449,402
Tax	845,697	908,915	1,005,895	1,050,362	1,355,779	1,463,689	1,670,178	1,712,318	1,734,925	1,216,542	1,298,019	1,751,132	2,720,563	3,704,577	5,049,192
Non-Tax	122,165	142,547	131,552	144,844	99,099	222,372	161,353	207,656	155,974	151,417	159,052	228,052	328,259	326,261	400,210
1.2 Grants	15,141	16,071	15,859	9,415	6,014	7,496	8,031	12,485	7,909	5,348	6,740	33,405	25,502	59,970	36,150
2. Expenditure and Lending minus Repayments	**1,433,182**	**1,556,497**	**1,669,396**	**1,795,865**	**2,290,394**	**2,333,883**	**2,573,056**	**2,693,228**	**3,337,896**	**3,040,996**	**3,521,735**	**4,472,556**	**5,356,591**	**6,130,739**	**6,230,415**
2.1 Recurrent	1,024,906	1,131,021	1,205,180	1,322,898	1,701,657	1,757,782	1,927,692	2,089,714	2,424,582	2,548,359	2,747,512	3,519,633	4,699,679	5,339,941	5,232,388
o/w Arrears	–	–	–	–	–	–	–	–	123,428	-123,428	–	–	–	–	–
2.2 Capital and Net Lending	408,276	425,476	464,216	472,967	588,737	576,101	645,364	603,514	913,314	492,638	774,223	952,923	656,912	790,798	998,026
o/w Public Investment	422,300	443,973	481,204	486,610	602,768	594,012	657,386	624,969	631,235	811,773	789,636	1,014,293	932,745	817,092	1,015,825
Arrears	–	–	–	–	–	–	–	–	299,178	-299,178	–	–	–	–	
3. Current Account Surplus(+)/ Deficit (-)	**-57,043**	**-79,560**	**-67,733**	**-127,692**	**-246,779**	**-71,721**	**-96,161**	**-169,740**	**-533,683**	**-1,180,399**	**-1,290,441**	**-1,540,448**	**-1,650,857**	**-1,309,103**	**217,014**
4. Budget Deficit	**-450,180**	**-488,964**	**-516,090**	**-591,244**	**-829,502**	**-640,326**	**-733,494**	**-760,769**	**-1,439,088**	**-1,667,688**	**-2,057,925**	**-2,459,967**	**-2,282,267**	**-2,039,931**	**-744,863**
5. Financing of Budget Deficit	**450,180**	**488,964**	**516,090**	**591,244**	**829,502**	**640,326**	**733,494**	**760,769**	**1,439,088**	**1,667,688**	**2,057,925**	**2,459,967**	**2,282,267**	**2,039,931**	**744,863**
5.1. Total Foreign Financing (Net)	193,888	180,760	88,421	315,564	369,257	429,130	381,956	464,593	542,641	-83,199	-13,901	424,822	494,655	333,239	142,408
Gross Borrowings	287,060	364,593	183,317	422,543	556,370	574,249	601,306	771,608	935,101	600,888	516,606	783,326	831,952	3,967,308	566,890
Repayments	-93,172	-183,833	-94,896	-106,979	-187,113	-145,119	-219,350	-307,015	-572,338	-504,209	-530,508	-358,505	-337,297	-3,634,068	-424,482
Arrears	–	–	–	–	–	–	–	–	179,878	-179,878	–	–	–	–	
5.2. Total Domestic Financing (Net)	256,291	308,204	427,669	275,680	460,245	211,196	351,538	296,176	896,448	1,750,887	2,071,826	2,035,145	1,787,612	1,706,691	602,455
Non- Bank Financing (Net)	44,171	70,984	256,942	192,812	196,737	398,575	120,165	279,653	477,221	1,783,764	1,897,760	3,609,879	3,295,295	2,087,463	496,075
Gross Borrowings	484,065	486,425	862,081	652,970	817,741	995,004	2,173,081	2,416,279	2,487,326	3,922,608	5,583,397	12,315,871	23,281,606	10,972,507	7,848,000
Repayments	-439,894	-415,441	-605,139	-460,158	-621,004	-596,429	-2,052,916	-2,136,627	-2,010,105	-2,138,844	-3,685,637	-8,705,992	-19,986,311	-8,885,044	6,600,000
Sri Lanka Development Bond	25,068	105,693	140,148	20,971	222,967	-120,516	53,289	-129,461	-49,982	-83,771	-68,324	-380,069	-350,705	–	–
Bank Financing (Net)	191,850	131,527	30,578	61,897	40,541	-66,863	133,407	38,101	166,787	206,395	229,550	-809,630	-957,417	-293,800	-83,523
Other Borrowings (Net) (b)	-4,798	–	–	–	–	–	44,677	107,883	59,694	87,226	12,840	-385,035	-199,562	-86,972	189,902
Arrears	–	–	–	–	–	–	–	–	242,728	-242,728	–	–	–	–	–

Source: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Census and Statistics, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

[a] Provisional

[b] Includes domestic grants, divestiture proceeds and other non market borrowings

Table 7 | Economic Classification of Government Fiscal Operations

As a Percentage of GDP

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023[a]	2024[a]	2025[b]
1. Revenue and Grants	**13.6**	**12.2**	**12.0**	**11.6**	**12.6**	**13.2**	**12.8**	**12.6**	**11.9**	**8.8**	**8.3**	**8.4**	**11.2**	**13.6**	**16.7**
1.1 Total Revenue	13.4	12.0	11.9	11.5	12.6	13.2	12.7	12.5	11.9	8.7	8.3	8.2	11.1	13.4	16.6
Tax	11.7	10.4	10.5	10.1	11.7	11.4	11.6	11.2	10.9	7.8	7.4	7.3	9.9	12.3	15.4
Non-Tax	1.7	1.6	1.4	1.4	0.9	1.7	1.1	1.4	1.0	1.0	0.9	0.9	1.2	1.1	1.2
1.2 Grants	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.05	0.03	0.04	0.1	0.1	0.2	0.1
2. Expenditure and Lending minus Repayments	**19.9**	**17.8**	**17.4**	**17.3**	**19.8**	**18.2**	**17.9**	**17.5**	**21.0**	**19.4**	**20.0**	**18.6**	**19.5**	**20.4**	**19.0**
2.1 Recurrent	14.2	13.0	12.6	12.8	14.7	13.7	13.4	13.6	15.2	16.3	15.6	14.6	17.1	17.7	16.0
o/w Arrears	–	–	–	–	–	–	–	–	0.8	-0.8	-	-	-	-	-
2.2 Capital and Lending minus Repayment	5.7	4.9	4.8	4.6	5.1	4.5	4.5	3.9	5.7	3.1	4.4	4.0	2.4	2.6	3.0
o/w Public Investment	5.8	5.1	5.0	4.7	5.2	4.6	4.6	4.1	4.0	5.2	4.5	4.2	3.4	2.7	3.1
Arrears	–	–	–	–	–	–	–	–	1.9	-1.9	-	-	-	-	-
3. Current Account Surplus(+)/ deficit (-)	**-0.8**	**-0.9**	**-0.7**	**-1.2**	**-2.1**	**-0.6**	**-0.7**	**-1.1**	**-3.4**	**-7.5**	**-7.3**	**-6.4**	**-6.0**	**-4.3**	**0.7**
4. Budget Deficit	**-6.2**	**-5.6**	**-5.4**	**-5.7**	**-7.2**	**-5.0**	**-5.1**	**-5.0**	**-9.0**	**-10.7**	**-11.7**	**-10.2**	**-8.3**	**-6.8**	**-2.3**
5. Financing of Budget Deficit	**6.2**	**5.6**	**5.4**	**5.7**	**7.2**	**5.0**	**5.1**	**5.0**	**9.0**	**10.7**	**11.7**	**10.2**	**8.3**	**6.8**	**2.3**
5.1. Total Foreign Financing (Net)	2.7	2.1	0.9	3.0	3.2	3.3	2.7	3.0	3.4	-0.5	-0.1	1.8	1.8	1.1	0.4
Gross Borrowings	4.0	4.2	1.9	4.1	4.8	4.5	4.2	5.0	5.9	3.8	2.9	3.3	3.0	13.2	1.7
Repayments	-1.3	-2.1	-1.0	-1.0	-1.6	-1.1	-1.5	-2.0	-3.6	-3.2	-3.0	-1.5	-1.2	-12.1	-1.3
Arrears	–	–	–	–	–		–	–	1.1	-1.1	-	-	-	-	-
5.2. Total Domestic Financing (Net)	3.6	3.5	4.5	2.7	4.0	1.6	2.4	1.9	5.6	11.2	11.8	8.5	6.5	5.7	1.8
Non- Bank Financing (Net)	0.6	0.8	2.7	1.9	1.7	3.1	0.8	1.8	3.0	11.4	10.8	15.0	12.0	6.9	1.5
Gross Borrowings	6.7	5.6	9.0	6.3	7.1	7.8	15.1	15.7	15.6	25.1	31.7	51.2	84.5	36.5	24.0
Repayments	-6.1	-4.8	-6.3	-4.4	-5.4	-4.7	-14.3	-13.9	-12.6	-13.7	-20.9	-36.2	-72.6	-29.5	20.2
Sri Lanka Development Bonds	0.3	1.2	1.5	0.2	1.9	-0.9	0.4	-0.8	-0.3	-0.5	-0.4	-1.6	-1.3	-	-
Bank Financing (Net)	2.7	1.5	0.3	0.6	0.4	-0.5	0.9	0.2	1.0	1.3	1.3	-3.4	-3.5	-1.0	-0.3
Other Borrowings (Net) [c]	-0.1	–	–	–	–	–	0.3	0.7	0.4	0.6	0.1	-1.6	-0.7	-0.3	0.6
Arrears	–	–	–	–	–	–	–	–	1.5	-1.6	–	–	–	–	–

Sources : Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Census and Statistics, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

[a] Revised

[b] Provisional

[c] Include domestic grants, divestiture proceeds and other non market borrowings.

Note: Rebased GDP estimates (base year 2015) of the Department of Census and Statistics have been used from 2015 onwards.

Table 8 | Economic Classification of Government Revenue

Rs. Million

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
1. Tax Revenue	**845,697**	**908,915**	**1,005,895**	**1,050,362**	**1,355,779**	**1,463,689**	**1,670,178**	**1,712,318**	**1,734,925**	**1,216,542**	**1,298,019**	**1,751,132**	**2,720,563**	**3,704,577**	**5,049,192**
Income Tax	157,310	172,594	205,666	198,115	262,583	258,857	274,562	310,450	427,699	268,249	302,115	534,021	911,356	1,026,199	1,139,373
Personal and Corporate Income Tax	97,814	98,124	121,136	122,343	193,531	182,493	176,508	211,057	322,047	243,310	288,977	513,980	753,198	862,164	963,556
Corporate & Non Corporate	83,016	83,360	102,578	100,046	167,325	154,324	143,588	169,672	272,602	228,336	273,624	488,434	608,243	664,592	762,436
Pay-As-You-Earn (PAYE)	14,798	14,764	18,558	22,297	26,206	28,169	32,920	41,385	49,445	14,973	15,353	25,546	144,955	197,572	201,120
Economic Service Charge (ESC)	21,335	14,864	6,596	6,155	6,148	20,458	44,720	52,979	55,301	14,950	728	202	247	245	25
Tax on Interest Income	38,160	59,606	77,934	69,617	62,904	55,906	53,334	46,414	50,351	9,989	12,410	19,839	157,911	163,790	175,792
Value Added Tax (VAT)	225,858	229,604	250,757	275,350	219,700	283,470	443,739	461,650	443,877	233,786	308,213	463,072	694,460	1,309,680	1,746,874
Domestic (Net)	104,897	109,370	124,440	140,084	130,527	168,134	275,346	282,487	273,963	148,061	185,462	291,619	469,107	712,187	855,485
Import (net)	120,961	120,234	126,317	135,266	89,173	115,336	168,393	179,163	169,914	85,725	122,751	171,452	225,353	597,493	891,390
Excise Tax	204,822	223,960	250,700	256,690	497,623	454,952	469,500	484,242	399,511	321,970	306,898	342,563	469,622	598,529	1,058,707
Liquor	55,286	60,086	66,008	69,100	105,234	120,238	113,684	113,944	115,443	120,990	138,637	165,188	170,260	213,390	231,542
Cigarettes/Tobacco	49,623	53,563	58,567	57,240	80,015	88,792	86,002	92,243	87,400	94,383	88,576	104,200	118,481	118,339	102,718
Petroleum	22,470	28,466	27,131	28,732	45,092	55,719	73,983	66,318	61,740	53,111	55,339	53,074	143,642	200,200	240,575
Motor Vehicles	71,646	78,509	96,478	98,531	263,470	186,499	189,740	204,081	130,378	48,760	18,113	14,504	32,526	58,562	471,751
Other	5,798	3,336	2,516	3,087	3,812	3,704	6,091	7,701	4,549	4,727	6,234	5,598	4,713	8,039	12,120
Stamp Duties (b)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Ports & Airports Development Levy (PAL)	66,028	70,111	61,987	68,646	58,644	88,823	102,360	113,950	112,174	115,442	154,125	180,595	175,486	170,014	180,853
Debits Tax (c)	4,232	–	–	–	–	–	–	–	–	–	–	–	–	–	
Import Duties	79,811	80,155	83,123	81,108	132,189	156,487	136,501	96,991	98,427	114,183	64,339	50,009	105,120	111,147	275,894
Cess Levy	29,662	32,741	36,091	38,707	46,289	61,730	59,554	53,369	50,703	49,309	75,543	70,318	57,184	81,129	90,373
Special Commodity Levy (SCL)	15,622	33,666	46,705	47,953	52,276	55,825	71,402	75,807	70,364	82,709	55,828	40,194	51,327	115,199	164,599
Nation Building Tax (NBT) (d)	35,667	38,736	40,937	44,583	45,004	57,424	69,035	71,357	70,673	2,351	434	413	328	137	488
Domestic	19,040	23,076	25,243	28,494	28,044	39,029	49,715	51,192	52,446	2,036	355	352	68	130	81
Imports	16,627	15,660	15,694	16,089	16,960	18,395	19,320	20,165	18,227	315	79	61	260	8	407
Social Security Contribution Levy	–	–	–	–	–	–	–	–	–	–	–	36,111	216,181	250,869	294,520
Telecommunications Levy [e]	18,651	22,290	24,445	31,351	33,358	35,976	33,399	28,326	18,261	13,130	12,840	14,995	17,304	15,927	15,127
License Taxes & Other	8,035	5,058	5,485	7,858	8,113	10,145	10,126	16,132	43,236	15,412	17,683	18,881	22,195	25,748	82,385

Table 8 | Economic Classification of Government Revenue contd...

Rs. Million

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
2. Non Tax Revenue	**122,165**	**142,547**	**131,552**	**144,844**	**99,099**	**222,372**	**161,353**	**207,656**	**155,974**	**151,417**	**159,052**	**228,052**	**328,259**	**326,261**	**400,210**
Rent	3,580	2,197	2,331	5,669	2,823	10,980	4,450	5,591	4,727	12,055	5,090	5,862	6,986	6,428	7,843
Interest	9,847	9,489	9,664	7,978	4,498	4,826	7,395	8,140	13,819	7,297	6,466	7,326	26,245	57,764	72,028
Profit and Dividends	34,351	46,761	35,169	46,814	29,798	108,160	53,998	41,828	27,857	17,624	30,591	28,092	75,701	41,080	56,543
Fine, fees and charges	37,292	26,019	40,720	38,492	44,632	72,606	66,575	105,202	73,884	47,370	42,645	90,050	146,566	154,731	180,935
Social Security Contributions	12,628	11,738	15,145	14,919	15,213	18,046	22,940	25,214	28,985	32,417	34,619	37,416	36,258	43,089	58,794
Central Bank Profit Transfers	22,000	43,000	26,350	11,500	-	5,000	-	15,000	-	24,009	15,012	30,007	1,029	-	-
Other	2,468	3,343	2,173	19,472	2,135	2,754	5,995	6,681	6,701	10,646	24,630	29,300	35,474	23,170	24,066
Total Revenue	**967,862**	**1,051,462**	**1,137,447**	**1,195,206**	**1,454,878**	**1,686,061**	**1,831,531**	**1,919,974**	**1,890,899**	**1,367,960**	**1,457,071**	**1,979,184**	**3,048,822**	**4,030,838**	**5,449,402**

Source: Department of Inland Revenue, Sri Lanka Customs, Department of Excise, Telecommunications Regulatory Commission of Sri Lanka, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

[a] Provisional

[b] Under the revenue sharing mechanism introduced in 2011 with the Provincial Councils (PCs), 100 percent of the revenue from stamp duties is transferred to PCs. The BTT collected by Provincial Councils was abolished in 2011 and NBT was extended to buying and selling activities.

[c] Debits tax was abolished with effect from April 2011.

[d] Data from 2011 represents only two thirds of the total revenue from NBT as the balance one third is transferred to PCs under the revenue sharing mechanism with them.

[e] Data from 2011 represents the revenue from Telecommunications Levy, which was introduced as a composite tax to the telecommunications sector by removing VAT, NBT, Regional Infrastructure Development Levy, Environment Conservation Levy and the Mobile Subscribers' Levy on this sector in 2011.

Table 9 | Economic Classification of Government Expenditure and Lending Minus Repayments

Rs. Million

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019[a]	2020[a]	2021	2022	2023	2024	2025[b]
1 Recurrent Expenditure	**1,024,906**	**1,131,021**	**1,205,180**	**1,322,898**	**1,701,657**	**1,757,782**	**1,927,692**	**2,089,714**	**2,424,582**	**2,548,359**	**2,747,512**	**3,519,633**	**4,699,679**	**5,339,941**	**5,232,388**
1.1 Expenditure on Goods & Services	**451,605**	**487,833**	**512,624**	**568,829**	**746,011**	**722,054**	**734,490**	**764,900**	**848,279**	**974,351**	**1,014,612**	**1,139,066**	**1,239,196**	**1,416,927**	**1,498,629**
Salaries and Wages	319,601	347,747	393,228	440,982	561,730	570,761	588,518	626,045	686,452	794,158	845,680	956,210	939,495	1,066,048	1,163,942
Central Government	83,072	95,965	113,223	133,584	172,491	184,856	197,914	212,481	240,329	270,521	297,349	367,467	327,290	371,017	424,445
Provincial Councils	90,818	88,217	105,034	121,789	150,796	143,740	149,715	162,086	179,971	239,034	256,142	268,864	300,210	372,795	411,317
Defence	112,703	126,950	134,295	141,138	176,810	180,829	180,998	189,055	189,508	199,474	205,542	222,996	217,868	190,375	212,287
Police and Public Security	33,008	36,615	40,677	44,471	61,633	61,336	59,891	62,423	76,644	85,129	86,646	96,884	94,127	131,861	115,892
Other Purchases of Goods and Services	132,004	140,086	119,396	127,847	184,281	151,293	145,972	138,855	161,827	180,193	168,932	182,856	299,700	350,879	334,687
Central Government	71,741	92,738	74,307	50,767	106,567	60,157	61,705	55,479	62,492	73,447	53,619	55,528	111,332	158,662	108,762
Provincial Councils	3,784	3,676	3,810	4,417	18,959	26,011	16,633	18,010	19,997	26,559	28,460	29,874	33,357	20,158	31,502
Defence	43,400	32,631	31,855	51,463	50,923	47,119	50,908	49,025	59,449	60,251	66,717	74,094	118,678	151,799	146,914
Police and Public Security	13,079	11,040	9,424	21,200	7,832	18,006	16,726	16,341	19,889	19,936	20,136	23,361	36,334	20,261	47,509
1.2 Interest Payments	**356,699**	**408,498**	**444,007**	**436,395**	**527,227**	**610,895**	**735,566**	**852,190**	**901,352**	**980,302**	**1,048,382**	**1,565,190**	**2,455,600**	**2,689,500**	**2,500,674**
Foreign	68,565	90,839	100,985	108,461	77,174	101,076	138,546	184,532	233,970	266,679	253,750	128,621	123,391	400,417	342,518
Domestic	288,134	317,659	343,022	327,934	450,053	509,819	597,020	667,658	667,383	713,623	794,633	1,436,569	2,332,208	2,289,084	2,158,156
1.3 Subsidies and Transfers	**216,601**	**234,691**	**248,549**	**317,674**	**428,419**	**424,833**	**457,636**	**472,624**	**551,524**	**717,133**	**684,518**	**815,376**	**1,004,884**	**1,233,514**	**1,233,085**
Households	171,438	187,895	195,288	249,710	354,484	341,349	372,519	383,659	456,241	610,486	595,696	719,467	912,416	1,134,841	1,121,222
o/w Pensions	99,961	111,682	123,293	127,049	156,577	173,152	181,696	194,488	227,670	257,833	269,827	309,067	372,364	395,720	444,498
Samurdhi/ Aswasuma	9,043	10,553	15,256	15,042	39,994	40,740	39,707	39,239	44,660	52,434	55,400	120,988	90,092	186,389	237,993
Fertilizer Subsidy	29,802	36,456	19,706	31,858	49,571	27,771	30,361	26,979	34,966	36,687	21,235	56,810	52,334	39,579	36,815
Non Financial Public Enterprises	12,999	11,817	13,854	21,387	27,927	29,120	23,438	23,367	26,153	17,711	17,110	28,949	27,133	28,445	33,581
Institutions and other Public Institutions	32,164	34,979	39,407	46,577	46,008	54,364	61,679	65,598	69,130	88,936	71,712	66,961	65,335	70,227	78,282
1.4 Arrears	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**123,428**	**-123428**	**-**	**-**	**-**	**-**	**-**
2 Capital Expenditure	**377,812**	**400,082**	**454,303**	**459,854**	**588,176**	**577,035**	**638,343**	**612,561**	**918,247**	**496,189**	**767,606**	**715,429**	**913,601**	**776,571**	**987,457**
2.1 Acquisition of Fixed Capital Assets	**208,963**	**176,562**	**252,535**	**252,303**	**313,260**	**328,202**	**348,260**	**350,034**	**385,366**	**483,543**	**438,753**	**445,521**	**647,958**	**569,740**	**720,388**
2.2 Capital Transfers	**168,849**	**223,520**	**201,768**	**207,551**	**274,916**	**248,833**	**290,083**	**262,527**	**233,703**	**311,824**	**328,854**	**269,908**	**265,644**	**206,830**	**267,070**
Institutions	105,603	145,935	143,504	147,166	197,712	184,689	242,322	221,135	200,172	254,384	265,074	229,425	218,379	156,606	179,423
Non Financial Public Enterprises	35,168	50,860	27,193	28,322	42,473	32,066	13,394	17,911	20,704	34,365	27,801	19,194	12,625	11,978	20,411
Sub National Governments	27,619	25,266	29,692	31,547	34,063	29,887	34,511	23,481	18,812	19,168	33,704	19,982	34,640	38,246	67,235
Abroad	459	1,459	1,379	516	668	2,191	-144	-	-5,985	3,907	2,275	1,308	-	-	-
2.3 Arrears	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**299,178**	**-299,178**	**-**	**-**	**-**	**-**	**-**
3 Lending Minus Repayments (Net Lending)	**30,464**	**25,394**	**9,913**	**13,113**	**561**	**-934**	**7,021**	**-9,047**	**-4,933**	**-3,552**	**6,617**	**237,494.57**	**(256,689)**	**14,227**	**10,569**
3.1 Net Lending through Advance Accounts	**854**	**-2,088**	**-1,019**	**1,249**	**-1,070**	**708**	**4,396**	**4,129**	**1,172**	**-529**	**-257**	**-887**	**442**	**1,548**	**5,390**
3.2 On Lending - Government Institutions	**44,488**	**43,891**	**26,901**	**26,756**	**14,592**	**16,977**	**19,043**	**12,408**	**12,166**	**16,405**	**22,030**	**298,864**	**19,144**	**40,520**	**28,367**
3.3 Loan Repayments of On Lending	**-14,878**	**-16,409**	**-15,969**	**-14,892**	**-12,961**	**-18,619**	**-16,418**	**-25,584**	**-18,271**	**-19,429**	**-15,156**	**-60,483**	**-276,275**	**-27,841**	**-23,189**
Total	**1,433,182**	**1,556,497**	**1,669,396**	**1,795,865**	**2,290,394**	**2,333,883**	**2,573,056**	**2,693,228**	**3,337,896**	**3,040,996**	**3,521,735**	**4,472,556**	**5,356,591**	**6,130,739**	**6,230,415**

Sources : Department of National Budget, Department of Treasury Operations, Department of State Accounts, Department of Fiscal Policy and Central Bank of Sri Lanka

[a] Included arrears

[b] Provisional

Table 10 | Composition of Government Debt (as at end year – on net basis)

Rs. Million

Source	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020[a]	2021	2022	2023[c]	2024[c]	2025[b]
1. Foreign Debt [j][k]	**2,329,280**	**2,767,299**	**2,960,424**	**3,113,116**	**3,544,031**	**4,045,796**	**4,718,618**	**5,959,547**	**6,201,283**	**6,052,179**	**6,516,958**	**12,458,155**	**11,644,094**	**10,429,044**	**11,319,363**
1.1 Project Loans	1,640,117	1,846,772	1,938,909	1,904,599	2,180,388	2,361,118	2,610,547	3,149,905	3,231,464	3,458,461	3,789,126	7,347,329	6,893,850	6,218,727	6,991,496
1.2 Non-project Loans	689,163	920,527	1,021,515	1,208,516	1,363,643	1,684,678	2,108,071	2,809,642	2,969,819	2,593,718	2,727,832	5,110,826	4,750,245	4,210,316	4,327,867
Commodity	53,460	56,599	61,597	69,993	71,470	69,101	62,727	63,267	52,312	43,023	34,904	183,082	208,724	188,055	85,693
Other	635,703	863,928	959,918	1,138,523	1,292,173	1,615,577	2,045,344	2,746,375	2,917,507	2,550,695	2,692,927	4,927,744	4,541,521	4,022,261	4,242,174
2. Domestic Debt (d)	**2,808,482**	**3,232,813**	**3,832,825**	**4,277,783**	**4,959,197**	**5,433,073**	**5,664,214**	**6,071,001**	**6,830,259**	**9,065,068**	**11,097,223**	**15,033,876**	**17,051,854**	**18,309,660**	**18,675,325**
2.1 Rupee Loans	61,961	58,386	55,518	55,518	24,088	24,088	24,088	24,088	24,088	24,088	24,088	24,088	-	-	-
2.2 Treasury Bills[e]	590,885	629,070	700,137	694,767	658,240	779,581	697,154	746,887	873,943	1,620,705	2,270,508	4,113,907	4,017,035	4,061,554	3,136,291
2.3 Treasury Bonds	1,823,648	2,177,892	2,548,323	2,940,017	3,401,211	3,806,353	3,892,408	4,197,323	4,606,232	5,713,300	6,966,218	8,709,057	12,002,337	14,079,198	15,427,749
2.4 Sri Lanka Development Bonds (SLDBs)[g]	183,845	222,994	369,215	391,083	668,458	572,199	637,886	614,219	559,284	486,870	455,203	382,092	-	-	-
2.5 International Sovereign Bonds[g][h]	-	-	-	-	-	-	-	-	202,099	415,756	372,612	635,443	566,866	371,514	434,026
2.6 Central Bank Provisional Advances	94,743	111,292	109,167	143,898	151,132	83,307	199,801	198,633	236,609	153,079	150,129	235,639	-	-	-
2.7 Other [f][i]	53,400	116,017	146,429	148,463	152,031	167,545	212,878	289,851	328,006	651,269	858,466	933,651	465,616	-202,605	-322,741
Total	**5,137,762**	**6,000,112**	**6,793,249**	**7,390,899**	**8,503,227**	**9,478,869**	**10,382,832**	**12,030,548**	**13,031,542**	**15,117,247**	**17,614,181**	**27,492,031**	**28,695,949**	**28,738,704**	**29,994,688**
Government Debt to GDP Ratio															
Foreign Debt	31.1	30.8	29.8	28.9	30.6	31.6	32.8	38.8	39.0	38.7	37.0	51.8	42.3	34.7	34.6
Domestic Debt	37.5	36.9	39.5	40.6	43.7	42.4	39.4	39.5	42.9	57.9	63.0	62.5	61.9	60.8	57.0
Total Debt	**68.6**	**67.7**	**69.3**	**69.5**	**74.3**	**74.0**	**72.2**	**78.4**	**81.9**	**96.6**	**100.0**	**114.2**	**104.2**	**95.5**	**91.6**

Source: Central Bank of Sri Lanka, Department of External Resources, Department of National Budget, Department of Treasury Operations, Department of State Accounts and Department of Fiscal Policy

[a] As per the guidelines of compiling government debt statistics in the Manual of Government Finance Statistics published by the IMF in 2014, non resident holdings of outstanding SLDBs have been classified under foreign debt and resident holdings of outstanding ISBs of the Sri Lankan Government have been classified under domestic debt. Further, debt statistics are presented on net basis (net of deposits)

[b] Provisional

[c] The outstanding central government debt excludes several debt service payments that became overdue after 12 April 2022, the date of which the Interim Policy regarding the servicing of Sri Lanka's external public debt was announced by the Ministry of Finance, Economic Stabilization and National Policies. These debt service payments comprise of overdue interest payments of affected debt which deemed to be capitalised as per the Interim Policy. Further, December 2022 balances excluded certain coupon payments pending settlement in relation Sri Lanka Developments Bonds from April 2022 till end 2022.

[d] From 2023 onwards, domestic debt complilation method was change and is based on the data confirmed by the Ministry of Finance, Economic Stabilization and National Policies

[e] Excludes outstanding Treasury bills held by non resident investors

[f] For data from 2019 to 2022 includes liabilities of the Central Government to commercial banks reported in the Monetary Survey of the Central Bank. Thereafter such liabilities were taken from the data confirmed by the Ministry of Finance, Economic Stabilizationn and National Policies

[g] Several interest payments that fell overdue after the debt standstill may not be included in the outstanding balance for 2022 since recording of these debt service payments in the debt recording systems is not yet finalised. (Not applicable for SLDBs for 2023)

[h] Represents ISB outstanding owned by the Licensed Commercial Banks

[i] Data for 2022 includes outstanding balance of the government guaranteed foreign currency debt of the Ceylon Petroleum Corporation that was absorbed into central government debt

[j] Foreign loan debt statistics and classification of foreign debt for 2021, 2022 and 2022 are prepared based on the data sourced from the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS) maintained by the Ministry of Finance, Economic Stabilisation and National Policies, and extracted on 09 and 10 March 2023 and 26 February 2024

[k] From December 2022 onwards, several outstanding project loan which were previously classified under Ceylon Electricity Board, Airport and Aviation Services Ltd and Sri Lanka Ports Authority were absorbed into central government debt.

Table 11 | Domestic Production of Selected Items

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Plantation Crops																
Tea	(kg Mn)	327.5	328.4	340.2	338.0	328.9	292.6	307.7	303.8	300.1	278.9	299.5	251.8	256.0	262.7	264.1
Rubber	(kg Mn)	158.2	152.0	130.4	98.6	88.5	79.1	83.1	82.6	74.8	78.2	76.88	70.9	64.4	69.18	66.49
Coconut	(Nuts Mn)	2,808	2,940	2,513	2,870	3,056	3,011	2,445	2,623	3,086	2,792	3,120	3,391	3,169	2,792	3,042
Seasonal Crops																
Paddy	(t'000)	3,894.2	3,846.0	4,620.7	3,380.7	4,819.4	4,420.1	2,383.0	3,929.83	4,592.0	5120.9	5,150.0	3,393.0	4,513.0	4,698.5	5,053.7
Potatoes	(t'000)	59.4	72.2	78.8	82.7	94.8	95.8	73.3	88.9	101.6	65.1	75.9	47.6	41.0	42.2	29.4
Sweet Potatoes	(t'000)	47.3	43.6	51.3	50.9	51.9	44.7	40.7	43.3	35.6	44.6	43.4	45.0	54.0	49.8	43.4
Chilies -Green	(t'000)	44.4	61.5	71.0	71.0	62.9	72.3	51.8	79.0	60.6	79.3	68.6	63.0	67.0	66.6	61.4
Chilies -Dried	(t'000)	10.9	15.4	17.8	17.9	15.7	18.1	13	19.8	15.1	n.a.	n.a.	n.a.	17.0	16.7	15.4
Big Onions	(t'000)	45.7	83.6	69.6	101.2	89.6	65.2	53.6	28.1	18.6	43.0	65.9	17.8	5.0	8.8	21.3
Red Onions	(t'000)	72.3	74.0	55.6	63.1	61.2	63.7	57.7	61.1	58.2	65.9	53.8	49.5	49.0	44.5	42.8
Maize	(t'000)	137.8	202.3	209.0	240.6	261.1	243.9	195.7	270.0	245.6	313.5	472.4	259.0	221.0	223.5	272.1
Green Gram	(t'000)	17.0	12.0	14.1	14.6	15.0	14.5	9.4	9.9	7.4	13.5	18.9	12.5	12.0	15.1	15.8
Black Gram	(t'000)	5.8	10.2	9.4	9.6	11.9	11.2	7.3	11.9	4.9	9.6	14.4	9.9	10.0	10.3	9.0
Kurakkan	(t'000)	5.4	6.0	6.9	8.8	8.9	8.6	5.6	8.1	5.5	6.3	8.1	10.9	9.0	8.7	7.2
Cowpea	(t'000)	10.4	14.8	14.2	15.1	12.3	13.7	8.6	11.2	8.1	13.2	11.9	14.8	13.0	11.4	10.9
Soya Beans	(t'000)	3.8	1.7	13.4	10.7	11.3	9.8	14.4	2.5	2.2	7.9	3.8	3.8	8.0	6.2	3.7
Gingerly	(t'000)	11.3	12.4	14.2	14.2	13.1	12.4	7.8	8.6	6.1	8.2	12.0	10.2	11.0	10.5	10.3
Ground Nuts	(t'000)	16.9	22.0	27.5	25.1	28.5	24.2	22.5	27.6	26.9	36.4	36.9	27.2	30.0	29.0	29.3
Other Agricultural Crops																
Sugar	(t'000)	35.0	36.7	53.0	51.8	56.0	62.0	56.0	51.3	52.0	60.0	81.0	79.0	66.0	80.1	60.6
Coffee	(t'000)	5.3	5.3	5.9	6.5	5.3	5.5	5.4	6.5	4.9	6.7	5.3	4.8	2.6	3.3	3.4
Cinnamon	(t'000)	18.2	16.1	16.0	19.0	23.9	24.5	24.7	24.02	24.8	22.9	23.7	23.8	24.5	24.9	26.0
Pepper	(t'000)	10.8	25.6	27.0	28.4	35.4	32.1	35.1	48.3	41.4	43.6	42.5	44.1	24.6	39.6	27.6
Cloves	(t'000)	5.5	4.0	4.0	6.3	8.2	8.2	7.3	5.5	4.4	6.7	5.7	5.7	4.2	2.4	2.8
Livestock and Fish																
Milk	(Ltr Mn)	258.3	299.2	329.2	333.9	374.4	384.0	396.2	467.7	447.6	491.5	513.3	506.4	504.2	521.7	524.0
Fish	(t'000)	444.8	486.2	512.8	535.1	520.2	530.9	531.3	527.06	505.8	428.7	435.9	397.2	407.1	410.8	364.2

Sources : Department of Census and Statistics, Ministry of Irrigation and Agriculture, Department of Export Agriculture and Central Bank of Sri Lanka

[a] Revised

[b] Provisional

n.a. – not available

Table 12 | Value of Exports

USD Million

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Agricultural Exports	**2,528**	**2,332**	**2,581**	**2,794**	**2,481**	**2,326**	**2,767**	**2,579**	**2,462**	**2,336**	**2,729**	**2,568**	**2,567**	**2,774**	**3,072**
Tea	**1,491**	**1,412**	**1,542**	**1,628**	**1,340**	**1,269**	**1,530**	**1,429**	**1,346**	**1,241**	**1,324**	**1,259**	**1,310**	**1,436**	**1,507**
Black Tea	1,430	1,354	1,471	1,555	1,280	1,208	1,462	1,359	1,270	1,173	1,246	1,184	1,226	1,348	1,406
Bulk	534	512	561	563	504	473	605	553	490	479	491	487	471	554	530
Packets	667	640	693	754	593	547	669	620	590	523	555	517	550	561	632
Bags	229	203	217	238	183	188	188	185	191	172	199	180	204	233	244
Instant	15	11	15	19	16	17	17	20	23	22	26	25	29	27	37
Green Tea	46	47	56	55	45	44	50	50	53	45	52	50	55	61	65
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rubber	**206**	**125**	**71**	**45**	**26**	**33**	**39**	**32**	**24**	**30**	**42**	**41**	**28**	**26**	**31**
Crepe Rubber	116	64	47	35	23	26	23	24	16	15	28	29	17	18	24
Smoked Sheets	63	38	14	4	2	3	6	2	3	7	7	7	7	5	5
Natural Rubber Latex	8	8	2	2	0	2	8	3	1	4	5	2	1	0	0
TSNR (f)	14	12	6	2	1	2	2	1	2	2	1	2	1	1	1
Other Natural Rubber	5	2	3	1	1	1	1	1	2	2	2	2	2	2	2
Coconut	**266**	**209**	**205**	**356**	**352**	**366**	**348**	**311**	**330**	**345**	**425**	**400**	**337**	**416**	**574**
Kernal Product	136	80	86	214	222	216	190	149	161	163	201	180	148	195	300
Other	130	129	119	142	130	150	158	162	168	182	224	220	188	221	274
Other Agricultural Exports	**379**	**388**	**529**	**511**	**600**	**489**	**610**	**542**	**762**	**720**	**938**	**868**	**630**	**663**	**720**
Vegetables	16.9	13.3	24.9	40.1	30.5	26.5	28.5	28.2	32.0	36.6	29.0	27.0	27.7	28.5	34.5
Fruits (Fresh or Dry)	17.1	18.1	29.1	44.2	38.0	34.7	41.5	39.2	41.1	33.1	38.0	38.0	41.7	40.3	48.7
Arecanut	2.5	3.7	15.9	63.6	67.5	34.1	37.7	17.9	21.3	45.3	43.0	63.0	62.1	38.4	70.5
Coffee	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.5
Pepper	32.1	70.2	128.3	72.4	149.0	76.4	88.0	77.7	50.4	52.2	119.0	81.0	94.0	175.9	108.3
Cinnamon (c)	128.9	135.5	138.6	139.8	139.6	171.4	218.4	228.5	187.5	227.3	251.0	227.0	213.8	225.8	258.7
Cloves (d)	35.4	18.5	49.7	14.0	48.3	13.8	47.7	16.8	30.6	16.2	35.0	21.0	44.1	13.3	31.7
Nutmeg and Maize	28.2	23.0	31.2	29.8	33.3	39.9	35.2	28.8	35.8	29.0	40.0	33.0	31.2	29.6	34.5
Cardamoms	0.6	0.2	0.2	0.3	1.1	5.8	5.7	1.0	0.2	0.1	0.3	0.1	1.4	1.1	0.4
Other Oil Seeds (e)	0.1	5.2	0.4	1.2	0.1	0.1	0.2	0.1	0.2	0.3	0.1	0.1	0.1	0.2	0.0
Betel Leaves	6.9	5.0	10.6	10.5	9.1	7.7	20.7	16.2	19.0	16.0	15.0	15.0	14.8	9.6	14.0
Cocoa	21.3	13.1	0.3	1.1	0.2	0.1	0.5	0.7	1.1	0.7	0.3	0.1	0.1	0.5	0.2

Table 12 | Value of Exports contd...

USD Million

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Unmanufactured Tobacco	38.4	42.2	47.6	41.3	31.8	31.2	36.5	35.6	34.7	25.5	32.0	24.0	28.1	25.7	26.7
Sesame Seeds	0.5	2.5	10.4	6.2	4.7	4.4	2.0	4.9	0.1	0.0	3.7	11.0	3.8	0.4	5.8
Cashew Nuts	2.6	1.3	0.6	1.4	1.4	0.8	0.9	0.8	0.7	0.5	0.6	0.8	1.1	1.1	1.0
Essential Oils	1.1	0.9	1.3	4.5	2.4	4.7	4.8	3.9	3.5	4.7	5.5	5.0	8.0	10.8	11.0
Cinnamon Bark Oil	7.7	5.8	6.2	7.6	8.4	12.3	16.2	15.2	11.9	21.0	20.0	10.0	4.3	8.3	-
Clove Oil	0.4	0.3	0.3	0.2	0.4	0.4	0.6	0.8	0.6	1.0	0.5	0.5	0.5	0.7	-
Other Minor Agricultural Crops	38.4	28.7	33.5	32.9	34.1	24.5	24.6	25.8	303.1	232.4	325.0	322.0	52.5	52.5	73.3
Seafood	**185**	**198**	**234**	**253**	**163**	**170**	**241**	**266**	**262**	**190**	**274**	**269**	**262**	**233**	**240**
Industrial Exports	**7,992**	**7,371**	**7,749**	**8,262**	**8,017**	**7,940**	**8,541**	**9,258**	**9,426**	**7,672**	**9,702**	**10,465**	**9,278**	**9,947**	**10,461**
Food, Beverages and Tobacco	**348**	**284**	**235**	**289**	**307**	**324**	**393**	**462**	**447**	**464**	**587**	**520**	**539**	**652**	**895**
Milling Industry Products	142	90	37	43	31	26	29	30	43	44	47	46	44	39	44
Vegetable, Fruit and Nut Preparations	61	59	63	80	87	100	129	147	143	185	232	208	203	258	406
Cereal Preparations	19	20	25	22	21	19	20	20	19	22	24	26	28	30	31
Fish Preparations	...	...	1	1	0	0	1	10	19	12	21	11	13	27	44
Manufactured Tobacco	41	47	49	56	58	73	73	93	78	60	80	65	66	65	78
Other	85	67	61	88	109	105	141	162	145	141	183	164	185	233	292
Textile and Garments	**4,191**	**3,991**	**4,508**	**4,930**	**4,820**	**4,884**	**5,032**	**5,318**	**5,596**	**4,423**	**5,435**	**5,952**	**4,879**	**5,061**	**5,314**
Garments	3,986	3,784	4,265	4,682	4,556	4,603	4,739	4,961	5,206	3,939	4,952	5,483	4,441	4,660	4,911
Woven Fabrics	85	92	124	90	102	107	119	148	162	122	234	230	211	191	170
Yarn	57	58	58	68	63	70	69	83	92	76	93	100	88	86	98
Other Made Up Textile Articles	64	56	61	90	100	105	104	126	137	286	157	139	140	124	134
Petroleum Products	**553**	**463**	**428**	**338**	**374**	**287**	**434**	**622**	**521**	**374**	**506**	**568**	**539**	**1,063**	**971**
Bunkers and Aviation Fuel	524	457	423	327	364	271	404	559	485	323	369	537	533	935	907
Other Petroleum Products	28	6	5	11	10	16	30	63	36	51	137	31	6	129	64
Ceramic Products	**38**	**36**	**40**	**41**	**35**	**34**	**34**	**31**	**30**	**24**	**38**	**38**	**34**	**32**	**29**
Tiles	6	7	8	9	8	7	7	6	5	5	9	6	6	6	5
Tableware, Household Items and Sanitary ware	28	25	29	29	25	23	23	21	21	15	25	29	25	22	20
Other	5	4	3	3	3	4	4	4	4	3	4	3	2	4	4
Rubber Products	**885**	**860**	**888**	**890**	**761**	**768**	**835**	**875**	**866**	**786**	**1050**	**977**	**902**	**976**	**915**
Rubber Tyres	569	540	551	564	467	476	510	545	512	421	591	593	589	597	520

Table 12 | Value of Exports contd...

USD Million

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Surgical Gloves and Other Gloves	181	177	195	176	165	176	198	188	207	248	365	296	226	278	293
Other Rubber Products	135	143	141	150	130	116	128	143	147	117	94	88	88	101	101
Leather, Travel Goods and Footwear	**65**	**55**	**77**	**139**	**136**	**166**	**158**	**148**	**103**	**54**	**59**	**86**	**71**	**62**	**69**
Footwear	17	12	29	87	86	118	108	89	52	16	15	24	20	19	20
Travel Goods	31	27	28	31	29	29	33	35	35	27	34	47	31	27	33
Other	17	16	19	21	21	19	17	23	16	11	10	15	20	15	16
Machinery and Mechanical Appliances	**312**	**297**	**312**	**343**	**294**	**318**	**371**	**435**	**400**	**338**	**501**	**581**	**598**	**486**	**492**
Gems, Diamonds and Jewellery	**532**	**559**	**446**	**394**	**332**	**274**	**257**	**278**	**306**	**181**	**277**	**451**	**500**	**382**	**388**
Gems	95	118	130	173	164	149	145	142	155	78	121	218	206	164	206
Diamonds	414	417	295	198	148	105	94	120	134	95	144	216	277	199	161
Jewellery	22	24	21	22	19	20	18	15	17	8	12	16	17	18	21
Transport Equipment	**225**	**165**	**146**	**152**	**244**	**131**	**162**	**120**	**146**	**71**	**148**	**129**	**149**	**107**	**125**
Road Vehicles	49	86	32	39	40	42	39	57	54	47	77	71	34	35	38
Ships, Boats and Floating Structures	149	57	82	86	182	65	97	27	65	2	38	17	79	41	54
Other	27	22	33	27	22	25	27	37	26	23	33	41	37	31	33
Printing Industry Products	**235**	**42**	**36**	**52**	**46**	**42**	**49**	**32**	**48**	**48**	**50**	**53**	**55**	**47**	**58**
Other Industrial Exports	**608**	**619**	**633**	**694**	**669**	**712**	**816**	**937**	**963**	**909**	**1,052**	**887**	**817**	**347**	**346**
Chemical Products	118	117	120	134	126	126	146	167	176	173	223	223	194	234	310
Mineral Exports	**33**	**61**	**52**	**59**	**28**	**29**	**34**	**34**	**34**	**25**	**45**	**50**	**38**	**25**	**24**
Unclassified Exports	**7**	**10**	**12**	**15**	**20**	**15**	**17**	**18**	**18**	**14**	**23**	**23**	**28**	**26**	**24**
Total Exports	**10,559**	**9,774**	**10,394**	**11,130**	**10,547**	**10,310**	**11,360**	**11,890**	**11,940**	**10,047**	**12,499**	**13,106**	**11,911**	**12,772**	**13,581**

Source: Department of Customs, Central Bank of Sri Lanka
[a] Revised
[b] Provisional
[c] Includes Cinnamon Oil
[d] Includes Clove Oil
[e] Includes Soya beans, Mustard Seeds and Oil Seeds
[f] Technically Specified Natural Rubber
... negligible

Table 13 | Value of Imports

USD Million

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Consumer Goods	**3,654**	**2,995**	**3,182**	**3,853**	**4,713**	**4,319**	**4,503**	**4,980**	**3,957**	**3,402**	**3,849**	**2,813**	**3,044**	**3,466**	**5,518**
Food and Beverages	**1,567**	**1,304**	**1,368**	**1,634**	**1,627**	**1,627**	**1,841**	**1,606**	**1,427**	**1,554**	**1,666**	**1,608**	**1,789**	**1,914**	**2,116**
Sugar	426	345	289	255	253	343	256	248	200	276	288	257	435	389	367
Milk and Milk Products	345	307	291	339	251	249	316	332	312	334	318	225	274	240	358
Rice	18	24	18	282	135	13	301	107	13	11	73	292	17	86	104
Flour	14	5	2	2	2	2	2	3	3	7	5	113	76	54	22
Fish	147	134	162	141	218	234	214	197	215	189	122	66	79	119	135
Other Food and Beverages	**617**	**489**	**607**	**614**	**768**	**787**	**752**	**719**	**685**	**739**	**861**	**654**	**908**	**1,027**	**1,130**
Potatoes	35.7	22.7	28.5	35.8	35.5	31.5	35.7	32.6	33.9	39.8	37.3	38.7	34.1	51.7	51.6
Chilies	82.4	46.4	49.3	59.6	77.3	92.7	51.8	68.7	82.9	94.8	92.7	112.5	96.2	84.3	74.6
Onions	86.0	51.9	100.1	65.3	122.0	100.0	123.0	108.9	124.3	148.7	154.9	112.9	115.8	195.6	140.6
Lentils	116.8	68.9	104.1	121.2	148.0	139.4	114.4	78.6	79.9	96.9	143.0	116.9	146.2	124.3	133.5
Green Gram	13.8	7.3	11.2	13.6	27.2	15.6	14.9	13.8	12.2	10.5	...	–	0.3	–	–
Peas	18.5	19.0	19.9	21.8	31.8	25.6	23.0	25.2	23.8	24.9	19.4	24.0	21.1	25.4	28.5
Chick Peas	26.9	25.6	20.5	20.0	23.7	30.1	32.7	26.0	20.5	24.4	21.8	17.3	31.0	31.0	28.7
Kurakkan	0.6	0.4	...	0.2	0.1	0.6	1.3	0.8	1.7	0.4	-	–	0.00	0.31	1.23
Oil and Fat	25.9	20.0	59.2	20.1	33.5	35.9	46.0	47.0	29.4	106.9	184.1	43.9	133.9	247.9	357.0
Spices[d]	111.0	68.0	79.9	98.2	113.3	132.0	92.8	114.0	115.4	126.9	127.2	136.6	133.4	115.7	101.3
Other	99.3	158.7	134.1	157.9	156.7	183.2	216.0	203.1	244.2	159.3	173.1	163.5	196.1	144	201.3
Non-food Consumables	**2,087**	**1,691**	**1,814**	**2,219**	**3,086**	**2,692**	**2,662**	**3,374**	**2,530**	**1,847**	**2,182**	**1,205**	**1,351**	**1,551**	**3,402**
Vehicles	881	495	582	897	1,360	795	773	1,574	816	283	13	11.7	27.7	66.2	1606.7
Home appliances-Radio and Television Sets	118	118	103	86	120	136	141	124	102	84	126	29.0	31.9	74.4	90.5
Rubber Products	83	80	88	90	114	112	94	95	83	58	102	60.6	59.2	84.9	87.5
Medical and Pharmaceutical Products	348	372	378	381	460	526	520	532	553	596	883	533.4	667.0	575.6	667.1
Household and Furniture Items	127	117	125	134	150	182	186	169	172	147	161	116.3	122.1	138.1	153.4
Other	530	509	538	632	882	941	948	880	805	680	897	454.2	443.0	612.1	797.2
Garments	112.0	131.9	157.6	227.0	321.4	290.9	292.3	237.3	215.1	159.6	167.5	171.0	133.7	184.8	218.3
Other Articles of Plastics[c]	33.0	35.4	33.2	34.0	52.8	28.9	24.3	20.4	26.4	18.8	21.5	23.4	19.8	23.6	22.6
Printed Books	15.0	14.1	11.9	10.4	10.7	13.0	17.3	18.4	14.6	8.5	10.3	7.4	8.4	9.4	11.3
Fans	23.1	23.4	27.4	24.4	33.5	41.8	34.9	29.5	33.5	27.9	32.5	15.7	13.6	25.2	30.8
Washing Preparations	6.0	6.0	5.6	4.3	4.0	5.0	4.4	2.7	3.0	1.9	3.3	1.8	1.3	2.1	2.0
Powders, Makeup	10.7	6.8	8.1	6.7	9.0	13.5	12.5	12.5	10.6	6.4	8.1	3.4	4.5	7.1	6.3

Table 13 | Value of Imports contd...

USD Million

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Cookers	9.4	6.4	6.8	5.7	9.2	11.6	10.8	10.0	8.5	7.0	8.8	4.4	2.4	4.3	7.3
Intermediate Goods	**12,274**	**11,578**	**10,554**	**11,398**	**9,638**	**9,869**	**11,435**	**12,488**	**11,370**	**9,077**	**12,309**	**12,439**	**11,007**	**11,915**	**11,859**
Fertilizer	407	311	239	272	290	137	103	262	221	259	158	276	235	201	309
Petroleum	4,795	5,045	4,308	4,597	2,700	2,481	3,428	4,152	3,892	2,543	3,743	4,897	4,703	4,354	4,042
Chemical Products	702	670	734	808	870	856	835	904	831	831	1074	966	815	987	1,038
Paper and Paper Boards	427	363	380	490	477	487	485	529	457	383	469	466	412	447	411
Wheat and Maize	429	364	323	405	357	249	357	374	346	384	418	303	338	383	398
Textile	2,321	2,266	2,046	2,328	2,296	2,705	2,724	2,859	2,909	2,335	3,067	3,065	2,371	2,847	2,749
Diamond and Precious Metals	1,076	588	483	175	162	514	772	573	201	117	144	204	268	217	149
Base Metal	354	440	406	478	471	456	629	683	563	460	866	323	314	473	541
Vehicle and Machinery Parts	223	211	210	228	264	281	295	296	270	239	349	255	233	301	357
Other Intermediate Goods	1,540	1,320	1,425	1,616	1,752	1,703	1,809	1,857	1,678	1,524	2,020	1,684	1,318	1,704	1,863
Semi Finished Products of Iron	157	256	238	168	151	n.a	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a	n.a	0.0
Polymer of Ethyline	109	99	106	142	147	144	134	149	126	116	144	128	86	115	120
Unmanufactured Tobacco	52	71	62	70	83	68	68	79	62	68	57	62	62	63	63
Palm Oil (Refined')	161	67	81	123	111	84	148	146	92	90	84	28	24	30	83
Investment Goods	**4,286**	**4,590**	**4,253**	**4,152**	**4,567**	**4,981**	**4,895**	**4,690**	**4,603**	**3,563**	**4,463**	**3,031**	**2,745**	**3,448**	**4,090**
Machinery and Equipment	2,141	2,356	2,222	2,131	2,278	2,741	2,621	2,492	2,490	2,176	2,810	1,969	1,868	2,363	2,513
Recorders and Primary Batteries	124	138	152	n.a.	17	17	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a	n.a	n.a
Medical Instrument and Appliance – Used	81	87	92	104	117	137	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a	n.a	n.a
Wire Cables (Electrical)	33	32	34	33	37	31	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a	n.a	n.a
Gas Cylinders (For Industries)	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a	n.a	n.a
Transport Equipment	1,065	992	668	707	931	663	675	668	597	348	399	132	99	155	556
Building Material	1,076	1,237	1,357	1,309	1,352	1,569	1,591	1,525	1,509	1,036	1,249	926	775	927	1,017
Iron Pipe & Tube	85	84	70	56	70	79	103	115	132	64	55	47	34	32	31
Other Investment Goods	4	5	6	5	6	8	8	6	8	3	6	3	3	3	4
Unclassified Imports	**54**	**28**	**14**	**14**	**16**	**13**	**147**	**75**	**8**	**14**	**17**	**9**	**16**	**13**	**13**
Total Imports	**20,269**	**19,190**	**18,003**	**19,417**	**18,935**	**19,183**	**20,980**	**22,233**	**19,937**	**16,055**	**20,638**	**18,291**	**16,811**	**18,841**	**21,480**

Source: Department of Customs, Central Bank of Sri Lanka
[a] Revised
[b] Provisional
[c] Includes Plastic kitchenware, plastic furniture, plastic ornamental articles, plastic clothing articles and plastic stationary articles
[d] Include coriander
n.a. – not available
... negligible

Table 14 | Import Quantities of Selected Items

t'000

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Sugar	596.6	559.0	539.0	509.5	624.0	638.7	483.2	624.3	537.5	682.6	582.0	446.7	652.9	582.9	656.0
Milk Powder	84.1	79.5	66.0	67.2	81.8	94.0	93.1	99.0	93.7	97.3	83.0	49.5	67.5	62.5	79.5
Potatoes	130.5	112.8	123.2	118.2	142.2	148.1	151.4	158.7	142.1	126.8	116.7	153.8	168.2	180.1	186.1
Chilies - Red	42.2	40.7	44.1	47.8	49.9	51.0	51.7	52.8	52.6	50.8	50.1	47.7	40.1	43.1	45.4
Big Onions	170.7	145.9	168.9	150.5	210.3	215.6	232.3	246.2	240.1	265.9	257.4	263.8	294.4	212.7	276.9
Red Onions	6.8	7.0	15.4	11.8	15.2	19.8	10.9	15.3	6.0	6.2	12.8	14.4	11.5	28.7	16.3
Dhal	151.3	114.0	150.9	153.4	160.9	154.3	165.9	162.6	176.9	178.4	205.3	132.6	198.3	163.9	180.2
Rice	27.8	36.2	22.9	599.7	285.6	29.5	748.0	248.9	24.2	15.8	147.1	783.4	29.6	131.3	184.8
Maize	7.0	1.0	0.5	86.8	67.2	41.9	179.6	120.6	102.5	43.5	8.2	178.6	207.5	268.6	333.0
Green Gram	10.5	7.9	7.1	5.2	11.5	13.9	15.5	16.4	13.3	10.8	...	...	0.0	1.5	10.0
Black Gram	7.1	3.2	4.2	6.3	8.1	12.0	12.8	12.4	7.7	0.5	...	0.0	0.2	3.9	6.3
Peas	36.1	31.9	30.8	35.9	45.4	35.6	36.7	47.8	39.4	44.3	38.0	35.5	36.2	41.7	46.7
Chick Peas	19.9	18.7	25.3	25.7	27.7	27.0	26.5	27.3	25.6	29.9	22.2	16.3	23.4	22.5	25.1
Kurakkan	2.2	3.6	12.0	0.7	0.8	2.2	2.9	3.1	4.0	0.8	0.0	0.0	0.0	0.6	2.1
Cowpea	0.9	0.7	1.1	1.0	5.6	6.1	7.3	8.1	8.5	4.0	0.1	0.0	0.0	2.1	4.9
Soya Bean	...	0.1	1.1	...	7.3	7.1	3.2	6.4	8.2	9.2	2.1	3.6	5.1	0.2	4.2
Coriander	13.3	10.1	15.3	13.8	12.3	15.0	12.2	18.0	13.3	19.6	18.5	10.5	16.8	15.6	12.3
Turmeric	4.1	3.8	4.1	4.2	4.9	4.7	4.9	5.4	5.3	0.8	...	n.a.	0.0	-	0.0
Turmeric (Powder)	0.2	...	...	...	...	1.0	12.0	25.0	18.0	0.0	...	n.a.	0.0	-	-
Tamarind	0.7	...	...	...	1.1	0.1	0.4	0.5	0.03	0.0	...	0.0	-	-	-
Garlic	23.8	23.1	24.4	27.0	28.2	26.0	27.5	32.9	31.8	35.8	36.7	33.9	36.2	37.0	41.6
Apples	21.2	21.1	20.1	15.9	20.2	25.3	26.7	27.3	23.4	17.2	15.3	5.6	5.1	6.8	8.2
Grapes	6.9	6.6	6.2	3.8	6.9	6.2	7.3	10	7.2	4.9	8.1	4.2	2.7	3.9	4.8
Orange	7.0	6.0	7.6	6.5	7.5	8.1	8.7	8.4	7.8	4.7	4.8	2.4	1.4	1.8	2.0
Mandarin	10.5	10.6	9.5	7.1	8.9	10.6	6.0	11.0	n.a.	7.0	8.8	5.7	6.2	-	0.0
Melon	-	...	...	-	...	...	...	0.3	0.05	0.0	...	...	0.0	0.0	0.0
Canned Fish	20.7	19.6	22.2	19.7	49	37.1	40.6	28.1	36.8	26.0	8.8	3.4	7.9	4.5	0.6
Maldive Fish	2.8	1.4	1.4	1.3	2.2	2.7	2.7	2.3	2.5	2.5	2.2	1.5	1.7	1.9	2.3
Sprats	27.6	25.2	23.5	24.9	24.6	24.5	22.8	23.2	24.8	31.1	25.1	23.7	22.8	27.4	23.7
Other Dry Fish	19.6	14.2	14.0	10.0	7.9	9.8	9.1	4.2	4.9	11.6	1.7	0.8	6.9	7.9	8.8
Palm Oil	135.5	51.1	45.3	142.0	161.8	120.5	195.3	217.7	156.0	120.1	80.9	21.0	21.6	27.9	72.3
Coconut Oil	3.6	5.2	2.2	3.9	3.4	1.2	0.9	9.9	1.5	79.1	98.9	12.3	96.4	160.1	133.6

Source: Department of Customs, Department of Census and Statistics and Central Bank of Sri Lanka
[a] Provisional
n.a. - not available
... negligible

Table 15 | Value of Food Imports

USD Million

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Sugar	426.0	345.0	288.9	255.5	252.5	342.5	256.0	248.0	199.7	276.0	273.9	240.0	434.8	388.6	366.9
Milk Powder and Milk Products	345.0	307.0	291.0	339.4	250.9	249.3	315.8	332.3	311.9	333.8	316.1	210.0	273.7	239.7	357.5
Flour	14.0	4.9	1.8	2.1	2.0	1.8	2.0	3.0	2.7	6.8	4.9	120.1	76.2	54.3	22.3
Potatoes	35.7	22.7	28.4	35.8	35.5	31.5	36.0	32.6	33.9	39.8	37.1	36.1	34.1	51.7	51.6
Chilies - Red	82.4	46.4	49.3	59.6	77.3	92.7	52.0	68.7	82.9	94.8	92.5	109.7	96.2	84.3	74.6
Big Onions	59.3	29.5	71.1	42.0	79.8	46.7	79.0	79.4	84.6	104.7	99.2	71.5	73.6	124.9	82.4
Red Onions	4.2	3.0	10.7	5.0	8.8	9.0	8.0	9.3	4.2	6.8	11.5	5.9	5.3	15.9	10.4
Dhal	116.8	68.9	104.1	121.2	148.0	139.4	114.4	78.6	79.9	96.9	142.7	119.1	146.2	124.3	129.6
Rice	18.4	24.2	17.9	281.7	135.1	12.8	300.9	106.8	12.8	10.5	73.8	269.4	17.1	85.5	103.5
Maize	2.3	0.4	0.3	23.9	16.1	10.8	53.0	39.4	34.8	19.3	8.7	72.3	63.4	87.4	107.8
Green Gram	13.8	7.3	7.6	6.8	15.0	15.6	15.0	13.8	12.2	10.5	...	...	0.1	1.5	12.2
Black Gram	7.2	3.0	3.5	6.9	11.3	22.4	13.0	8.4	6.6	0.5	...	...	0.1	5.8	7.9
Peas	18.5	19.0	19.9	20.4	31.8	25.6	23.0	25.2	23.8	24.9	19.2	24.1	21.1	124.9	28.5
Chick Peas	26.9	25.6	20.5	20.0	23.7	30.1	33.0	26.0	20.5	24.4	21.8	17.3	31.0	31.0	28.7
Kurakkan	0.6	0.4	...	0.2	0.1	0.6	1.0	0.8	1.7	0.4	...	...	0.0	0.3	1.2
Cowpea	0.7	0.6	0.9	0.9	4.1	4.5	6.5	6.2	6.0	3.2	...	...	0.0	2.2	5.2
Soya Bean	...	0.1	...	...	3.4	3.0	8.0	2.8	3.7	4.7	1.6	2.6	3.9	0.1	2.7
Coriander	9.9	6.5	14.8	19.2	14.0	10.0	6.0	10.8	11.8	17.5	18.7	9.9	13.5	12.5	10.2
Turmeric	7.0	3.7	4.6	4.6	6.5	7.1	7.0	7.2	6.4	1.0	...	...	0.0	-	0.0
Turmeric (Powder)	0.2	...	...	...	...	...	...	...	...	...	...	...	0.0	-	-
Tamarind	0.2	...	...	...	0.4	...	0.2	0.1	0.1	0.0	...	...	-	-	-
Garlic	22.0	19.1	18.0	18.2	25.5	44.3	36.0	20.0	35.3	36.9	43.9	28.4	36.7	50.7	47.4
Apples	9.7	14.4	19.8	17.2	18.3	24.0	24.0	26.5	22.6	15.7	16.6	5.2	6.0	8.6	10.9
Grapes	6.8	10.5	11.2	8.4	13.4	15.9	15.0	15.0	14.0	9.4	14.7	5.8	5.1	7.8	9.8
Orange	3.7	4.0	5.2	4.7	4.6	5.9	6.0	5.8	5.3	3.6	3.7	1.5	1.1	1.6	2.0
Mandarin	3.3	3.8	2.8	2.1	2.7	3.5	2.0	3.7	3.1	2.3	4.5	2.0	3.3	8.3	0.0
Melon	-	...	...	-	...	0.4	0.6	0.2	0.2	0.0	...	...	0.0	0.0	0.0
Canned Fish	50.7	43.6	47.5	39.5	81.9	66.2	63.0	53.3	76.6	57.8	24.6	8.2	19.1	11.2	3.6
Maldive Fish	12.3	7.5	6.6	5.0	11.4	13.7	11.0	9.4	9.3	10.4	7.3	2.9	2.8	4.7	5.3
Sprats	39.1	40.0	55.2	44.9	49.1	62.1	59.0	58.2	53.3	58.7	45.9	30.7	27.8	48.4	40.6
Other Dry Fish	36.8	30.0	25.3	18.1	15.4	22.5	25.0	26.4	29.6	34.3	24.6	...	11.1	17.9	20.0
Palm Oil	160.6	67.2	81.4	123.0	103.5	84.1	148.0	146.2	92.5	89.7	83.3	26.7	24.0	30.3	83.2
Coconut Oil	6.6	4.8	2.2	0.2	5.8	3.7	16.0	20.1	4.7	90.3	165.2	22.5	118.9	229.0	274.0

Source: Department of Customs, Department of Census and Statistics and Central Bank of Sri Lanka
... negligible
[a] Provisional

Table 16 | Motor Vehicles

Item	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023[a]	2024[a]	2025[b]
Motor Vehicle Imports															
Total	**533,056**	**374,175**	**308,398**	**482,003**	**655,086**	**469,305**	**460,261**	**494,488**	**345,703**	**105,987**	**21,832**	**7,490**	**9,688**	**28,284**	**398,857**
Motor Bicycles	252,036	186,372	159,791	322,257	349,523	329,978	364,346	354,998	266,659	71,306	1,861	2,826	5,388	21,899	229,326
Three-Wheelers	137,389	93,284	80,586	83,233	132,779	47,976	19,021	20,782	16,997	4,864	2,094	226	21	5	24,100
Tractors	26,870	18,967	13,247	5,511	14,234	13,185	10,295	6,992	5,132	6,560	13,520	3,455	2,713	4,766	8,559
Transport Vehicles (goods)	55,786	45,560	25,655	25,664	44,287	32,161	25,964	25,077	18,591	6,925	2,067	235	186	321	11,249
Passenger Vans and Buses	3,836	3,245	1,627	3,906	4,690	2,849	3,732	2,581	1,458	470	52	177	452	52	2,765
Motor Cars	56,370	26,312	27,084	41,030	109,059	42,208	36,125	82,627	34,800	15,785	1,979	523	917	1,234	90,365
Quadricycle	–	–	–	–	–	–	6	642	1,644	n.a.	n.a.	n.a.	n.a	n.a	1
Other	769	435	408	402	514	948	772	789	422	77	259	48	11	7	32,492
New Registration of Motor Vehicles															
Total	**525,421**	**397,295**	**326,651**	**429,556**	**668,907**	**491,036**	**451,653**	**480,799**	**367,303**	**202,628**	**33,850**	**20,511**	**27,890**	**74,410**	**362,100**
Motor Cars	57,886	31,546	28,380	38,780	105,628	45,172	39,182	80,776	38,232	21,021	3,495	1,489	1,816	1,644	68,047
Three Wheelers	138,426	98,815	83,673	79,038	129,547	56,945	23,537	20,063	15,490	7,150	2,093	36	60	94	17,332
Motor Cycles	253,331	192,284	169,280	272,885	370,889	340,129	344,380	339,763	284,301	151,634	8,011	9,060	20,200	65,289	254,817
Buses	4,248	3,095	1,805	3,851	4,140	2,685	3,331	2,957	1,613	578	281	404	685	146	2,096
Dual Purpose Vehicles	33,518	37,397	24,603	20,799	39,456	26,887	16,742	16,931	13,459	9,532	771	760	586	1,027	6,936
Goods Transport Vehicles - Lorries	14,818	12,266	5,872	5,121	7,142	5,271	11,432	9,371	5,223	3,941	4,432	1,833	375	966	3,298
Land Vehicles - Tractors	20,073	18,450	10,772	7,070	9,977	10,285	8,821	7,460	5,696	6,025	10,420	4,369	2,784	3,038	6,027
Land Vehicles - Trailers	3,121	3,442	2,266	2,012	2,128	3,662	4,228	2,822	1,970	2,277	4,344	2,560	1,236	1,887	3,052
Other	–	–	–	–	–	–	–	656	1,319	470	3	–	148	319	495
Total Vehicle Fleet *															
Total	**4,479,732**	**4,877,027**	**5,203,678**	**5,633,234**	**6,302,141**	**6,793,177**	**7,247,122**	**7,727,921**	**8,095,224**	**8,297,852**	**8,331,702**	**8,352,213**	**8,380,103**	**8,454,513**	**8,816,613**
Motor Cars	468,168	499,714	528,094	566,874	672,502	717,674	756,856	837,632	875,864	896,885	900,380	901,869	903,685	905,329	973,376
Three Wheelers	667,969	766,784	850,457	929,495	1,059,042	1,115,987	1,139,524	1,159,587	1,175,077	1,182,227	1,184,320	1,184,356	1,184,416	1,184,510	1,201,842
Motor Cycles	2,354,163	2,546,447	2,715,727	2,988,612	3,359,501	3,699,630	4,044,010	4,383,773	4,668,074	4,819,708	4,827,719	4,836,779	4,856,979	4,922,268	5,177,085
Buses	88,528	91,623	93,428	97,279	101,419	104,104	107,435	110,392	112,005	112,583	112,864	113,268	113,953	114,099	116,195
Dual Purpose Vehicles	242,746	280,143	304,746	325,545	365,001	391,888	408,630	425,561	439,020	448,552	449,323	450,083	450,669	451,696	458,632
Goods Transport Vehicles - Lorries	311,510	323,776	329,648	334,769	341,911	347,182	360,906	370,277	375,500	379,441	383,873	385,706	367,271	368,237	371,535
Land Vehicles - Tractors	297,070	315,520	326,292	333,362	343,339	353,624	362,445	369,905	375,601	381,626	392,046	396,415	399,199	402,237	408,264
Land Vehicles - Trailers	49,578	53,020	55,286	57,298	59,426	63,088	67,316	70,138	72,108	74,385	78,729	81,289	82,525	84,412	87,464
Other	–	–	–	–	–	–	–	656	1,975	2,445	2,448	2,448	21,406	21,725	22,220

Sources : Department of Customs and Department of Motor Traffic
[a] Revised
[b] Provisional
** Cumulative number of all vehicles registered in Sri Lanka*
n.a. - not available

Table 17 | Power Sector

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Installed Capacity	MW	3,146	3,312	3,356	3,932	3,847	4,018	4,086	4,046	3,807	4,265	4,186	4,084	4,390	4,648	4,768
Hydro Power		1,401	1,584	1,625	1,665	1,680	1,726	1,745	1,793	1,399	1,793	1,797	1,827	1,413	1,533	1,530
Thermal		1,396	1,338	1,335	1,215	1,115	1,215	1,233	1,137	1,282	1,268	1,087	924	801	801	727
Coal		300	300	300	900	900	900	900	900	900	900	900	900	900	900	900
Wind*		3	3	3	3	3	3	3	128	128	179	252	252	104	104	104
Other[c]		46	87	93	150	149	174	205	88	98	125	565	181	1,172	1,310	1,508
Maximum Demand	MW	2,163	2,146	2,164	2,152	2,283	2,453	2,523	2,616	2,669	2,717	2,802	2,708	2,415	2,673	2,896
Total sales by CEB	GWh	10,023	10,474	10,621	11,063	11,786	12,785	13,431	14,091	14,611	14,286	15,214	14,520	14,153	15,191	16,069
Generation **	GWh	11,528	11,800	11,898	12,357	13,090	14,149	14,671	15,286	15,922	15,714	16,716	15,942	15,576	16,802	17,783
Average Electricity Price	Rs	13.21	15.56	17.93	18.50	15.93	16.18	16.26	16.29	16.63	16.72	16.37	21.24	42.86	36.01	26.27
Average Cost of Electricity	Rs	15.59	23.66	16.94	19.97	15.06	18.10	20.34	19.13	23.29	21.67	18.63	36.15	41.18	31.17	30.26
Access to Electricity	000'	4,611	4,979	5,211	5,418	5,649	5,964	6,193	6,354	6,501	6,636	6,810	6,937	7,025	7,101	7,184
Access to Electricity	%	91.0	94.0	96.0	98.0	99.0	99.3	99.3	99.3	99.3	99.3	99.3	99.3	99.3	n.a	n.a

Source: Ceylon Electricity Board

[a] Revised

[b] Provisional

[c] Including Solar, Dendro and BioMass

**Wind capacity installed under CEB only*

*** Net Generation considered*

Note: Installed capacity of Thermal includes hired plants from 2000–2004

n.a. – not available

Table 18 | Roads

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Total Road Length	km	**114,768**	**115,272**	**115,383**	**117,012**	**116,407**	**118,059**	**119,480**	**119,490**	**100,638**	**155,996**	**144,937**	**144,937**	**144,967**	**12,575****	**12,575****
National Roads		12,019	12,258	12,289	12,369	12,380	12,380	12,380	12,390	12,438	12,496	12,537	12,537	12,567	12,575	12,575
Class A		4,219	4,219	4,219	4,215	4,215	4,215	4,215	4,215	4,215	4,217	4,217	4,217	4,217	4,217	4,217
Class B		7,800	7,944	7,949	7,993	7,995	7,995	7,995	8,005	8,005	8,007	8,007	8,007	8,038	8,045	8,045
Expressways		95	95	121	161	170	170	170	170	218	272	313	313	312	313	313
Provincial Roads		17,429	17,614	17,614	19,083	18,397	18,353	18,900	18,900	n.a	18,924	18,400	18,400	18,400	n.a	n.a
Rural Roads		85,320	85,400	85,480	85,560	85,630	87,326	88,200	88,200	88,200	124,576	114,000	114,000	114,000	n.a	n.a
Total Roads Density	km/km2	**1.75**	**1.76**	**1.76**	**1.78**	**1.77**	**1.80**	**1.82**	**1.82**	**1.53**	**2.38**	**2.21**	**2.21**	**0.19**	**0.19**	**0.19**
National Roads Density		0.18	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19
Provincial Roads Density		0.27	0.27	0.27	0.29	0.28	0.28	0.29	0.29	n.a	0.29	0.28	0.28	n.a	n.a	n.a
Rural Roads Density		1.30	1.30	1.30	1.30	1.31	1.33	1.34	1.34	1.34	1.90	1.74	1.74	n.a	n.a	n.a
Road Condition of National Roads as per IRI*																
Excellent	%	23	24	29	27	27	35	36	n.a	39	42	46	46	36	37	37
Good	%	23	29	36	27	28	29	30	n.a	26	27	29	29	22	24	24
Fair	%	10	10	8	9	9	10	13	n.a	9	9	7	7	13	14	14
Poor	%	26	17	13	16	16	11	10	n.a	10	9	8	8	13	13	13
Bad	%	18	20	14	22	20	15	11	n.a	16	14	11	11	16	13	11

Sources: Road Development Authority and Department of National Planning
**IRI = International Roughness Index*
[a] Revised
*** Total Road length is calculated, excluding Provincial Roads and Rural Roads*
[b] Provisional
n.a. – not available

Table 19 | Port Services

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Vessels Arrived *	**No.**	**4,358**	**4,178**	**4,024**	**4,298**	**4,760**	**5,023**	**4,942**	**4,933**	**4,708**	**4,337**	**3,685**	**4,073**	**4,823**	**4,607**	**5,293**
Colombo		4,124	3,870	3,667	3,742	4,197	4,405	4,329	4,331	4,198	3,806	3,180	3,648	4,237	3,968	4,102
Sri Lanka Ports Authority		3,040	2,750	2,600	2,424	2,169	2,061	1,998	1,934	1,948	1,777	1,286	1,664	1,867	1,779	1,854
South Asia Gateway Terminal		1,084	1,120	1,011	855	1,026	1,087	1,073	1,152	1,016	926	867	838	1,001	937	799
Colombo International Container Terminal		–	–	56	463	1,002	1,257	1,258	1,245	1,234	1,103	1,027	1,146	1,369	1,248	1,235
Colombo West International Terminal (CWIT)		–	–	–	–	–	–	–	–	–	–	–	–	–	4	214
Galle		73	69	36	60	72	96	87	84	43	22	14	7	23	8	8
Trincomalee		126	161	134	127	164	216	233	189	142	135	117	95	102	116	124
Magam Ruhunupura Mahinda Rajapaksa Port		9	34	139	335	295	281	230	270	314	374	374	323	447	472	881
KKS, Myliddy, Point Pedro & Karrainagar		26	44	48	34	32	25	63	59	11	–	–	–	14	43	178
Total Cargo Handled	**t '000**	**65,097**	**65,030**	**66,292**	**74,431**	**77,611**	**86,546**	**93,879**	**104,952**	**106,982**	**102,907**	**109,358**	**100,372**	**103,793**	**120,239**	**126,355**
Colombo		62,016	61,669	63,482	70,794	73,718	81,879	89,034	100,151	101,926	97,681	103,826	96,168	99,673	114,594	115,361
Sri Lanka Ports Authority		36,019	36,867	39,186	39,998	36,668	35,172	35,001	39,216	38,322	35,493	37,362	31,721	34,257	43,858	40,230
South Asia Gateway Terminal		25,997	24,802	23,551	22,148	16,893	21,196	23,622	27,042	26,515	24,878	24,062	22,731	22,813	25,563	24,616
Colombo International Container Terminal		–	–	745	8,648	20,157	25,511	30,411	33,893	37,089	37,310	42,402	41,716	42,603	45,173	42,464
Colombo West International Terminal (CWIT)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	8,051
Galle		464	422	207	394	542	771	712	729	510	404	106	1	1	–	–
Trincomalee		2,574	2,859	2,435	2,748	3,027	3,514	3,897	3,560	3,304	3,072	3,177	2,088	2,013	2,613	2,869
Magam Ruhunupura Mahinda Rajapaksa Port		15	20	119	474	292	355	213	494	1,239	1,750	2,249	2,115	2,106	3,032	8,125
KKS, Myliddy, Point Pedro & Karrainagar		28	60	49	21	32	27	23	18	3	–	–	–	–	n.a	n.a
Total Container Traffic[c]	**TEUs '000**	**4,263**	**4,187**	**4,306**	**4,908**	**5,185**	**5,735**	**6,209**	**7,047**	**7,228**	**6,855**	**7,249**	**6,862**	**6,950**	**7,792**	**8,301**
Sri Lanka Ports Authority		2,299	2,317	2,502	2,559	2,252	2,100	2,011	2,304	2,283	2,098	2,198	1,926	1,965	2,413	2,383
South Asia Gateway Terminal		1,963	1,870	1,747	1,662	1,371	1,632	1,810	2,067	2,052	1,872	1,839	1,752	1,764	2,026	1,949
Colombo International Container Terminal		–	–	57	687	1,562	2,003	2,388	2,676	2,893	2,885	3,212	3,184	3,221	**3,353**	**3,252**
Colombo West International Terminal (CWIT)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	717
Transshipment Container **	**TEUs '000**	**3,216**	**3,167**	**3,274**	**3,781**	**3,967**	**4,435**	**4,826**	**5,704**	**5,955**	**5,765**	**6,050**	**5,832**	**5,960**	**6,623**	**6,971**
Sri Lanka Ports Authority		1,652	1,652	1,825	1,916	1,711	1,617	1,623	1,976	2,008	1,867	1,877	1,670	1,757	2,128	1,993
South Asia Gateway Terminal		1,564	1,515	1,405	1,325	1,043	1,314	1,434	1,687	1,651	1,607	1,573	1,523	1,571	1,797	1,728
Colombo International Container Terminal		–	–	44	540	1,213	1,504	1,769	2,041	2,296	2,291	2,600	2,640	2,632	2,698	2,593
Colombo West International Terminal (CWIT)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	657
Employment (Sri Lanka Ports Authority)	**No.**	**11,008**	**10,200**	**9,886**	**9,598**	**9,550**	**9,651**	**9,414**	**9,748**	**9,937**	**9,484**	**9,203**	**8,706**	**8,243**	**7,624**	**n.a**
Colombo		10,059	9,325	9,014	8,747	8,725	8,856	8,625	8,948	8,975	8,567	8,285	7,838	7,433	7,042	n.a
Galle		433	391	378	373	355	348	351	362	384	339	331	315	276	255	n.a
Trincomalee		466	436	426	419	417	402	401	400	400	387	381	363	341	327	n.a
Magam Ruhunupura Mahinda Rajapaksa Port		50	48	68	59	53	45	37	38	178	191	206	190	193	n.a	n.a
Revenue (Sri Lanka Ports Authority) * **	**Rs Mn**	**31,086**	**38,098**	**37,232**	**37,492**	**40,805**	**44,080**	**43,963**	**52,283**	**54,636**	**52,657**	**60,606**	**99,362**	**92,821**	**102,788**	**n.a**

Source: Sri Lanka Ports Authority, Central Bank of Sri Lanka

[a] Revised

[b] Provisional

[c] TEUs=Twenty-foot Equivalent Container Units

** Excluding of Sailing craft, Naval Vessels, Fishing trawlers,Yatch & Dredgers*

***Including Re-Stowing*

**** For the comparison purpose Port of Hambanthota has been removed from the 2017 actual values.*

The South Asia Gateway Terminal commenced its operations in 1999.

n.a. – not available

Table 20 | Water Supply and Sewerage

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Access to Pipe Borne Water *	Household (%)	42.4	43.5	43.7	44.3	45.9	47.7	49.2	50.5	51.8	53.1	54.2	60.2	61.6	63.1	62.3
Access to Safe Drinking Water **	Household (%)	82.9	84.1	88.7	84.6	86.0	87.8	89.3	90.6	91.9	93.2	94.3	96	97.3	98.8	93.9
Access to Piped Sewerage	Total population (%)	1.8	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Average Cost (per month)	Rs.000'	1,160,719	1,331,254	1,440,848	1,607,839	1,774,605	1,934,313	2,077,083	2,334,333	2,413,636	2,439,912	2,897,250	3,455,083	5,331,000	5,362,417	4,815,083
Average Household Bill (per month)	Rs	437.7	473.9	557.0	570.7	547.9	632.5	610.6	615.26	625.3	668.9	610.7	810.3	1,451.6	1,940.9	1,842.1
Water Supply Connections	No.	1,449,301	1,587,663	1,707,742	1,831,998	1,953,721	2,092,471	2,219,172	2,328,654	2,437,504	2,560,237	2,752,324	2,905,541	3,021,050	3,139,324	3,248,788
Water Production	Mn m^3	490	525	547	575	600	649	686	707	746	782	815	818	803	832	855
Water Consumption	Mn m^3	342	368	381	411	436	483	508	531	560	589	605	612	600	626	647
Water Sales (Bill Revenue)	Rs Mn	13,343	13,209	18,167	19,969	20,472	23,975	24,846	26,164	23,579	25,218	25,258	32,533	57,537	84,027	84,519
Non- Revenue Water																
Colombo City	%	50.0	49.2	47.7	46.6	46.2	45.7	43.1	41.7	40.6	39.2	34.75	24.11	19.25	19.24	16.76
Island wide	%	30.4	29.9	30.2	28.5	27.3	25.6	26.0	24.9	24.9	24.6	25.8	25.2	25.3	24.8	24.35
Employees	No.	9,199	9,670	9,953	10,483	10,245	10,352	10,338	10,046	9,716	9,358	9,296	9,059	8,471	8,145	7,772
Employees Per 1000	connections	6.4	6.1	5.8	5.7	5.2	5.0	4.7	4.3	4.0	3.7	3.4	3.12	2.8	2.6	2.4
Collection Efficiency (Collection/Billing)		0.99	0.98	1.01	1.00	1.11	1.00	1.03	1.05	1.04	0.93	1.1	0.99	0.94	0.9	1.0

Source: National Water Supply and Drainage Board

[a] Revised

[b] Provisional

The Water supply coverage in Item 1 & 2, reported for 2025 are lower than those of 2024 due to:

** Reduction in CBO (Community-Based Organization) coverage. (From 11% to 9%)*

*** The incorporation of officially published data for dug wells, hand pumps, and other point sources by the Department of Census and Statistics in year 2025.*

Table 21 | Communications

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Telecommunication																
Fixed Access Services	No.	3,608,392	3,449,391	2,706,787	2,709,848	2,601,196	2,550,432	2,603,178	2,484,616	2,299,767	2,613,140	2,851,589	2,651,287	3,511,759	3,436,243	2,627,003
Wireline in Service		941,780	999,354	1,062,065	1,123,126	1,128,291	1,166,348	1,198,483	1,215,967	1,244,549	1,246,045	1,264,196	1,263,068	1,145,238	1,075,344	1,062,592
Wireless Access [c]		2,666,612	2,450,037	1,644,722	1,586,722	1,472,905	1,384,084	1,404,695	1,268,649	1,055,218	1,367,095	1,587,393	1,388,219	2,366,521	2,360,899	1,564,411
Cellular Phones [c]	No.	18,319,447	20,324,070	20,315,150	22,123,000	24,384,544	26,227,631	28,199,083	32,528,104	32,884,099	28,739,277	29,958,852	28,838,038	28,986,361	28,820,245	29,490,796
Telephone Density (Including Cellular Phones)	per 100 persons	105.1	116.9	112.4	119.6	128.7	135.7	143.6	161.5	161.4	141.0	147.9	142.0	147.4	147.2	147.6
Public Pay Phones	No. of Booths	6,458	6,983	6,788	6,642	5,809	5,297	5,137	2,135	476	461	–	–	–	n.a.	n.a.
Internet and Email Subscribers (Fixed)	No.	359,216	423,194	507,845	606,100	682,512	929,089	1,221,960	1,530,099	1,654,174	1,956,383	2,684,307	2,686,955	2,556,911	2,543,248	1,926,215
Mobile Broadband Subscribers *	No.	485,533	942,461	1,501,611	2,790,195	3,408,408	3,991,465	4,682,300	5,733,062	11,754,166	15,567,665	19,422,091	18,980,661	20,307,262	20,606,132	21,928,644
Internet Service Providers	No.	20	19	15	15	15	13	8	7	12	12	12	11	11	10	10
Postal																
Public Post Offices	No.	4,058	4,062	4,061	4,063	4,063	4,062	4,062	4,063	4,062	4,062	4,064	3,995	4,006	4,005	3,933
Main Post Offices		648	651	651	653	653	652	653	653	653	653	654	653	652	651	648
Sub Post Offices		3,410	3,411	3,410	3,410	3,410	3,410	3,409	3,410	3,409	3,409	3,410	3,342	3,354	3,354	3,285
Private Post Offices	No.	675	676	602	629	629	629	628	412	412	134	130	140	139	132	132
Private Agency Post Offices		512	516	497	524	524	524	523	307	307	n.a.	130	140	139	132	132
Rural Agency Post Offices		156	156	101	101	101	101	101	101	101	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Estate Agency Post Offices **		7	4	4	4	4	4	4	4	4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Department of Posts, Sri Lanka Telecom and Telecommunications Regulatory Commission of Sri Lanka
[a] Revised
[b] Provisional
[c] The decline in the Wireless Local Loop telephones and cellular phones in 2013 is due to revision in the classification of active subscribers
** from 2014 Mobile Broadband definition has been changed.*
*** In 2002, a three year project was started to establish Estate Agency Post Offices on recommendation made by the Presidential Committee to address the "Social Cultural Problems in the Estate Sector". These offices were ceased to function since 2006, due to the incapability of the Agents to expand the overall business capacity(potential)to earn sufficient income and lack of continued financial remuneration from the Ministry of Estate Infrastructure and Livestock Development to the Agents of the Estate Agency Post Offices"*
n.a. – not available

Table 22 | Crude Oil and Petroleum Products

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
International Prices (End Year)																
Crude Oil																
Brent	USD(bbl)	107.97	109.64	110.63	62.16	53.61	45.03	54.95	71.76	64.04	51.38	70.80	82.26	78.39	74.39	61.92
WTI	USD(bbl)	98.61	88.19	97.90	59.10	49.28	54.76	51.30	64.99	56.96	48.34	67.94	78.73	71.92	71.43	57.89
Dubai	USD(bbl)	106.20	105.67	107.94	60.39	50.91	41.27	53.18	69.65	63.20	51.10	68.80	97.00	n.a	n.a.	n.a.
Oman*	USD(bbl)	106.64	109.55	109.98	96.95	51.18	41.81	53.41	69.92	n.a	51.24	77.10	n.a	n.a	n.a.	n.a.
Refined Products (Singapore Plattes) (Annual Avg)																
Petrol	USD(bbl)	117.33	120.29	116.30	108.14	66.08	53.32	65.42	77.88	69.45	45.09	78.49	111.34	87.18	88.63	78.78
Diesel	USD(bbl)	125.34	127.37	121.50	112.10	64.58	52.05	64.64	82.88	77.28	48.42	76.72	127.77	93.55	90.04	82.64
Kerosene	USD(bbl)	125.29	126.84	122.98	112.49	64.80	52.83	65.28	85.00	77.24	44.82	75.25	128.38	101.59	95.39	86.43
Domestic Prices (End Year)																
Petrol (92 Octane)**	Rs/ltr	137.00	159.00	162.00	150.00	117.00	117.00	117.00	125.00	137.00	137.00	177.00	370.00	346.00	309.00	294.00
Petrol (95 Octane)	Rs/ltr	155.00	167.00	170.00	158.00	128.00	128.00	128.00	149.00	161.00	161.00	207.00	510.00	426.00	371.00	335.00
Auto Diesel [d]	Rs/ltr	84.00	115.00	121.00	111.00	95.00	95.00	95.00	101.00	104.00	104.00	121.00	420.00	329.00	286.00	277.00
Super Diesel	Rs/ltr	106.30	142.00	145.00	133.00	110.00	110.00	110.00	121.00	132.00	132.00	159.00	510.00	434.00	313.00	318.00
Kerosene	Rs/ltr	71.00	106.00	106.00	81.00	49.00	49.00	59.00	101.00	70.00	70.00	87.00	365.00	247.00	188.00	193.00
Furnace Oil – 800 Sec	Rs/ltr	52.20	92.20	92.20	92.20	82.20	82.20	82.20	92.00	96.00	70.00	110.00	320.00	207.00	207.00	194.00
Furnace Oil – 1000 Sec	Rs/ltr	48.70	-	-	-	-	80.00	80.00	n.a	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a.
Furnace Oil – 1500 Sec	Rs/ltr	50.00	90.00	90.00	90.00	80.00	80.00	80.00	92.00	96.00	70.00	110.00	320.00	207.00	207.00	194.00
Furnace Oil – 3500 Sec	Rs/ltr	50.00	90.00	90.00	-	80.00	80.00	80.00	n.a	n.a	n.a	n.a	n.a	n.a.	n.a.	n.a.
Quantity Imported																
Crude Oil	Mt 000'	2,070	1,486	1,743	1,824	1,763	1,685	1,591	1,674	1,842	1,667	1,182	649	1,663	1,331	1,597
Refined Products [c]	Mt 000'	4,283	4,891	4,376	4,993	5,204	3,885	4,895	4,959	4,740	4,028	4,553	3,927	3,779	4,249	4,374
L.P. Gas	Mt 000'	180	199	197	198	277	345	387	413	430	437	422	265	373	410	447
Domestic Production																
L.P. Gas	Mt 000'	24	17	22	28	10	9	19	22	27	25	17	6	24	21	26
Local Sales																
Petrol (92 Octane)[c]	Mt 000'	676	726	733	767	911	1,036	1,109	1,179	1,269	1,139	1,238	1,119	1,233	1,315	1,452
Petrol (95 Octane)	Mt 000'	35	40	55	69	100	137	168	189	158	120	116	69	45	43	59
Auto Diesel[d]	Mt 000'	1,985	2,054	1,705	1,947	1,779	2,143	2,194	1,987	2,139	1,750	1,875	1,693	1,535	1,570	1,686
Super Diesel	Mt 000'	15	42	50	61	74	75	92	101	85	69	75	78	39	44	64
Kerosene[e]	Mt 000'	169	143	126	122	130	137	161	210	206	176	185	104	81	139	152
Furnace Oil	Mt 000'	1,222	1,322	827	915	630	817	1,040	949	1,011	971	720	496	682	735	649
L.P. Gas	Mt 000'	228	228	218	232	293	356	412	435	474	189	457	294	394	436	489
Petroleum Tax Revenue	Rs Mn.	32,725	39,556	76,775	64,128	89,303	158,370	172,302	140,823	132,309	148,942	99,901	128,491	256,600	n.a.	n.a.
o/w Excise Duty	Rs Mn.	22,470	28,466	27,131	28,732	45,092	55,719	73,983	66,318	61,740	53,111	55,339	53,074	143,642	n.a.	n.a.

Sources: Bloomberg, Reuters, Ceylon Petroleum Corporation, Sri Lanka Customs, Litro Gas Lanka Ltd., Laugfs Gas PLC, Lanka IOC PLC, Lanka Marine Services (Pvt) Ltd., Sinopec Energy Lanka (Pvt.) Ltd, RM Parks (Pvt) Ltd, United Petroleum Lanka (Pvt) Ltd, Central Bank of Sri Lanka

[a] Revised
[b] Provisional
[c] Including XtraPremium Euro 3
[d] Including XtraMile Diesel
[e] Includes Industrial Kerosene
**Annual Average*
***Including XtraPremium Euro 3*
n.a. – not available

Table 23 | Petroleum Products Tax Structure

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Petrol																
Value Added Tax (VAT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	18	18
Import Duty	Rs. per ltr	Rs 35 Duty waived	Rs.35 (Rs. 23 duty waived)	Rs.35 (Rs. 23 duty waived)	35	35	35	35 (Rs. 23 duty waived)	35	Rs. 18 – Petrol 92 Octane Rs. 35 – Petrol 95 Octane	Rs.21- Petrol 92 Octane, Rs.42- Petrol 95 Octane[a]	Rs.21- Petrol 92 Octane, Rs.42- Petrol 95 Octane[a]	Rs.5- Petrol 92 Octane, Rs.26- Petrol 95 Octane[a]	Rs.5- Petrol 92 Octane, Rs.26- Petrol 95 Octane[a]	Rs.0- Petrol 92 Octane, Rs.21- Petrol 95 Octane[a]	Rs.0- Petrol 92 Octane, Rs.21- Petrol 95 Octane[a]
Excise Duty	Rs. per ltr	25	25	27	27	27	27	27	27	27	27	27	27	77	72	72
Ports and Airports Development Levy (PAL)	%	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	Ex	Ex
Nation Building Tax (NBT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1	–	–	–	–	–	–	–
Social Responsibility Levy (SRL)	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (TT)	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Diesel																
Value Added Tax (VAT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	18	18
Import Duty	Rs. per ltr	Rs. 15 Duty waived	Rs.15 (Rs.13 duty waived)	Rs.15 (Rs.13 duty waived)	Rs.15(Rs.6 duty waived)	Rs.15 (Rs.6 duty waived)	15	15 (Rs. 11 duty waived)	Rs. 5.85 – Auto Diesel Rs. 10.55 - Super Diesel	Rs. 5.85 - Auto Diesel Rs. 10.55 - Super Diesel	Rs. 11 - Auto Diesel Rs. 25 - Super Diesel [b]	Rs. 11 - Auto Diesel Rs. 25 - Super Diesel [b]	Rs. Ex - Auto Diesel Rs. 15 – Super Diesel [b]	Rs. Ex - Auto Diesel Rs. 15 – Super Diesel [b]	Rs. 0 - Auto Diesel Rs. 15 – Super Diesel [b]	Rs. 0 - Auto Diesel Rs. 15 – Super Diesel[b]
Excise Duty	Rs. per ltr	2.5	2.5	3	3	3	13	13	Rs. 6 - Auto Diesel Rs.13 – Super Diesel	Rs. 6 - Auto Diesel Rs.13 – Super Diesel	Rs. 6 - Auto Diesel Rs.13 – Super Diesel	Rs.6 - Auto Diesel Rs.13 – Super Diesel	Rs. 31 - Auto Diesel Rs.38 – Super Diesel	Rs. 56 - Auto Diesel Rs.63 – Super Diesel	Rs. 50 - Auto Diesel Rs.57 – Super Diesel	Rs. 50 - Auto Diesel Rs.57 – Super Diesel
Ports and Airports Development Levy (PAL)	%	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	Ex	Ex
Nation Building Tax (NBT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	1	–	–	–	–	–	–	–
Social Responsibility Levy (SRL)	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (PTT)	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Table 23 | Petroleum Products Tax Structure

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Kerosene																
Value Added Tax (VAT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free
Excise Duty	Rs. per ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	Ex	Ex
Nation Building Tax (NBT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	–	–	–	–	–	–	–	–	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Surcharge	%	–	–	–	–	–	–	–	–	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Provincial Turnover Tax (PTT)	%	–	–	–	–	–	–	–	–	Ex	Ex	Ex	Ex	Ex	Ex	Ex
L.P.Gass																
Value Added Tax (VAT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	18	18
Import Duty	Rs. per ltr	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free		
Excise Duty	Rs. per ltr	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Ports and Airports Development Levy (PAL)	%	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5	2.5	2.5	Ex	Ex
Nation Building Tax (NBT)	%	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex	Ex
Social Responsibility Levy (SRL)	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surcharge	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Turnover Tax (PTT)	%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Source: Department of Fiscal Policy
[a] Rs. 29 duty waive for Petrol 92 Octane and Rs.8 duty waive for Petrol 95 Octane
[b] Rs. 14 duty waive for Auto Diesel and No waive for Super Diesel
Note: EX – Exempted

Table 24 | Health Services

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Hospitals	**No.**	**778**	**790**	**809**	**811**	**831**	**835**	**769**	**803**	**812**	**826**	**861**	**901**	**n.a.**	**n.a.**	**n.a.**
Public		592	593	603	601	610	610[d]	612	612	**603**	609	618	651	649	n,a	628
Private		186	197	206	210	221	225[e]	141	209	**209**	217	243	250	n.a.	n.a.	n.a.
Central Dispensaries (PMCUS)	No	475	480	481	484	475	475[d]	496[f]	n.a	**499**	514	542	545	543	550	580
Beds*	No	69,731	73,437	79,945[c]	82,604[c]	76,781	76,781[d]	83,275[f]	76,824	77,964	77,121[f]	78,228[f]	89,903[f]	90,392[i]	91,159	89,141
Doctors*	**No.**	**16,464**	**17,190**	**18,486**	**19,873**	**20,280**	**21,168**	**22,091[f]**	**n.a**	**18,130[f]**	**19,615[f]**	**20,209[f]**	**21,045[f]**	**21,796[i]**	**n.a.**	**n.a.**
Administrative MO**		240	211	143***	128	203	84	204	n.a	2,415	n.a	113	264	241	243	213
Specialist MO**		1,264	1,458	1,566	1,493	1,836	1,703	2,221	n.a	75	n.a	1,860	2,726	2,756	2,964	2,658
Medical Officers		12,630	13,329	14,584	15,873	15,833	16,934	17,375	n.a	18,131	n.a	11,557	23,416[g]	23,999[g]	24,069[g]	21,960
Dental Surgeons		1,230	1,110	1,279	1,324	1,391	1,416	1,473	n.a	1,348	n.a	821	1,689	1,604	1,552	1,344
RMO/AMO		1,100	1,082	1,057	1,055	1,017	1,031	818	895	756	n.a	n.a	591	535	436	345
Nurses*	No.	29,234	30,217	30,928	31,527	32,272	32,499	34,221	34,714	38,276	37,634	39,091	50,516[h]	53,283[h]	50,307[h]	45,459[h]
Public Health Nursing Sisters (PHNS)	No.	326	364	331	n.a.	299	241	328	n.a	297	n.a	n.a	340	419	373	237
Public Health Midwives (PHM)	No.	8,385	8,703	9,120	9,164	9,021	8,842	6,086	n.a	8,078	n.a	n.a	6,427	6,737	6,201	8,566
Public Health Inspectors (PHI)	No.	1,718	1,644	1,713	1,867	1,664	1,729	1,981	n.a	1,570	n.a	n.a	2,272	2,230	2,144	1,994
Health Education Officers (HEO)	No.	56	47	48	40	47	44	–	n.a	43	n.a	n.a	n.a	n.a.	n.a.	37
Professions Supplementary to Medicine (PSM)	**No.**	**3,553**	**3,694**	**3,699**	**3,773**	**3,995**	**2,848**	**4,715[f]**	**n.a**	**5,089**	**n.a**	**n.a**	**n.a**	**n.a.**	**n.a.**	**5,409**
Medical Lab Technicians (MLTT)		1,415	1,399	1,421	1,423	1,448	1,067	1,724	n.a	1,857	n.a	1,374	2,239	2,224	2,195	1,951
Physiotherapists		328	339	319	340	400	367	618	n.a	656	n.a	584	762	711	715	567
Radiographers		485	534	536	531	551	421	610	n.a	617	n.a	502	727	734	755	666
Occupational Therapists		100	105	94	93	101	98	137	n.a	140	n.a	141	177	196	193	210
Pharmacists		1,225	1,317	1,329	1,386	1,495	895	1,626	n.a	1,819	n.a	1,217	2,059	2,055	2,086	2,015
Attendants	No.	8,403	8,375	8,091	8,096	8,689	8,268[d]	9,218	8,614	8,531	8,384	8,334	8,354	7,819	7,444	6,758

Source: Ministry of Health and Indigenous Medicine

[a] Revised

[b] Provisional

[c] Private and Public Hospitals

[d] Including line Ministry

[e] Including PGIM Trainees

[f] Government Only

[g] Including Administrative & Specialists

[h] Including pupil nerses

** Government*

*** Excluding Specialist MO attached to Anti Filaria Campaign, Blood Bank Colombo, Faculty Staff Colombo, Fever HS Colombo, Mental HS Angoda, Rehabilitation HS Ragama, NIHS, STD Clinic Katugastota, BH Kalmunai South, BH Dehiattakandiya, DH Madirigiriya & BH Nikaweratiya*

**** Permanently employed*

n.a. – not available

Table 25 | Education

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
General Education																
Schools	No.	10,549	10,737	10,849	10,971	10,997	11,021	11,053	11,044	11,084	11,091	11,088	11,074	11,013	10,993	10,964
Government		9,731	9,905	10,012	10,121	10,144	10,162	10,194	10,175	10,165	10,155	10,146	10,126	10,096	10,076	10,047
o/w National		342	342	350	352	352	353	353	353	373	373	396	396	396	396	396
Private **		98	98	103	103	104	105	106	106	118	120	123	126	95	95	95
Pirivenas		720	734	734	747	749	754	753	763	801	816	819	822	822	822	822
Students	000'	4,159	4,195	4,234	4,272	4,330	4,345	4,365	4,418	4,268	4,273	4,259	4,180	4,090	3,816	3,748
Government		3,974	4,004	4,037	4,078	4,129	4,143	4,166	4,215	4,062	4,064	4,049	3,970	3,883	3,816	3,748
National		800	793	797	797	806	803	811	839	798	n.a.	n.a.	835	830	833	826
Provincial		3,174	3,211	3,240	3,281	3,324	3,340	3,355	3,376	3,263	n.a.	n.a.	3,135	3,053	2,983	2,922
Private**		122	126	130	131	136	136	136	142	138	139	141	142	138	138	138
Pirivenas		63	65	66	63	65	66	63	61	68	70	70	69	69	70	67
Teachers	No.	231,819	235,533	236,131	245,922	250,850	249,374	254,560	260,995	261,803	265,394	256,716	251,417	253,075	254,107	257,946
Government		219,886	223,333	223,752	232,990	236,999	235,999	241,591	247,334	246,592	249,494	241,054	236,738	237,787	238,506	242,309
Private**		5,804	6,114	6,317	6,471	7,075	6,872	6,555	6,829	8,011	8,564	8,315	7,551	8,170	8,312	8,306
Pirivenas		6,129	6,086	6,062	6,461	6,776	6,503	6,414	6,832	7,200	7,336	7,347	7,128	7,118	7,289	7,331
University Education																
Universities	No.	17	17	17	17	17	17	17	17	17	17	19	19	19	19	19
UGC [a]		15	15	15	15	15	15	15	15	15	15	17	17	17	17	17
MoHE		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Students	No.	92,963	86,197	94,492	105,084	109,870	111,065	117,029	118,993	126,109	132,896	146,315	166,215	173,421	177,269	186,036
UGC [b]		77,657	70,222	77,126	83,539	87,085	87,741	91,905	93,787	100,944	106,641	119,068	136,270	142,057	145,140	151,558
OUSL		14,915	15,418	16,739	20,916	22,097	22,546	24,346	24,453	25,165	26,255	26,255	28,824	30,324	31,113	33,435
MoHE		391	557	627	629	688	778	778	753	n.a	n.a	992	1,121	1,040	1,016	1,043
New Admissions	No.	22,016	29,009	24,444	25,200	25,676	29,337	30,953	31,451	31,902	41,669	43,927	43,546	44,005	43,881	43,729
Employees	No.	15,905	16,301	16,971	17,641	16,007	16,783	17,581	18,653	19,350	19,346	22,921	23,417	22,999	22,217	22,687
Academic																
Lecturers		5,117	5,242	5,508	5,688	5,281	5,533	5,762	6,003	6,321	6,525	9,573	10,257	10,456	10,510	10,366
UGC [a]		5,064	5,176	5,439	5,610	5,199	5,440	5,669	5,940	n.a	n.a	9,462	7,155	10,355	10,392	10,250
MoHE		53	66	69	78	82	93	93	114	n.a	n.a	n.a	114	101	118	116
Non Academic		10,788	11,059	11,463	11,953	10,726	11,250	11,819	12,650	13,029	12,821	13,348	13,160	12,543	12,263	12,321
Graduate Output	**No.**															
First Degree		23,167	11,788*	20,880	28,357	29,545	29,035	26,179	26,024	24,890	24,565	24,810	26,074	33,306	31,526	n.a
Postgraduate		5,614	8,054	8,636	8,141	7,513	7,697	10,437	10,959	9,991	7,501	7,564	10,124	6,955	9,902	n.a

Source: Ministry of Education and Ministry of Higher Education

[a] Revised

[b] Provisional

OUSL-Open University of Sri lanka

UGC (a) – Universities under the University Grants Commission, including OUSL

UGC (b) – Universities under the University Grants Commission, excluding OUSL

MoHE – Buddhist and Pali University and Buddhasravaka Bhiksu University under Ministry of Higher Education

** Number of graduated has been decreased in 2012 as final exams have not been held in several faculties due to academic & Non academic Strikes in 2012.*

*** Included government approved private schools only*

n.a. – not available

Table 26 | Access to Banking and Finance

Category	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Domestic Commercial Banks	**No.**	**12**	**12**	**12**	**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**	**13**
State		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Private		10	10	10	11	11	11	11	11	11	11	11	11	11	11	11
Branches		1,567	1,627	2,582 **	2,672**	2,705**	2,788	2,803	2,826	2,857	2,869	2,871	2,882	2,889	2,895	2,890
State		654	675	1,356	1,361	1,366	1,377	1,373	1,376	1,392	1,397	1,400	1,410	1,412	1,421	1,420
Private		913	952	1,226	1,311	1,339	1,411	1,430	1,450	1,465	1,472	1,471	1,472	1,477	1,474	1,470
Other offices		3,610	3,727	2,864***	2,871***	2,870***	2,556***	2,639***	3,309***	3,783	3,787	3,793	3,794	3,882	3,971	4,331
State		3,160	3,265	2,610	2,610	2,610	2,303	2,386	3,055	3,525	3,525	3,531	3,531	3,618	3,707	4,062
Private		450	462	254	261	260	253	253	254	258	262	262	263	264	264	269
Automated Teller Machines (ATMs)		2,035	2,187	2,316	2,406	3,188	3,475	4,029	4,584	5,334	5,687	5,920	6,175	6,395	6,741	6,870
State		740	787	871	894	1,033	1,181	1,561	1,891	2,414	2,635	2,770	2,911	3,025	3,126	3,142
Private		1,295	1,400	1,445	1,512	2,155	2,294	2,468	2,693	2,920	3,052	3,150	3,264	3,370	3,615	3,728
Foreign Commercial Banks	**No.**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**13**	**13**	**11**	**11**	**11**	**11**	**11**	**11**
Branches		49	49	221	221	220	53	52	51	50	46	46	46	45	41	41
Other Offices		171	171	–	–	-	–	–	–	–	–	–	–	-	–	–
Automated Teller Machines (ATMs)		44	48	48	49	57	56	57	60	59	57	52	53	44	40	38
Specialized Banks [c]	**No.**	**9**	**9**	**9**	**9**	**7**	**7**	**7**	**7**	**6**	**6**	**6**	**6**	**6**	**6**	**6**
State		8	8	8	6	6	6	6	6	5	5	5	5	5	5	5
Private		1	1	1	3	1	1	1	1	1	1	1	1	1	1	1
Branches	No.	515	527	645**	652**	624**	683	691	696	700	704	705	706	705	706	711
State		280	287	390	541	546	595	600	602	606	609	611	612	611	612	617
Private		235	240	255	111	78	88	91	94	94	94	94	94	94	94	94
Other Offices	No.	272	273	175 ***	175***	175***	27***	28***	–	–	–	–	–	–	–	–
State		251	251	167	175	175	27	28	–	–	–	–	–	–	–	–
Private		21	22	8	–	–	–	–	–	–	–	–	–	–	–	–
Automated Teller Machines (ATMs)	No.	158	180	180	180	295	320	333	376	401	432	466	474	503	504	504
Insurance Companies	No.	22	22	22	21	28	29	27	26	28	28	27	28	28	81	83
Registered Finance Companies	No.	39	47	48	48	46	46	45	43	42	40	39	36	33	32	32
Specialized Leasing Companies	No.	16	13	10	8	7	7	6	5	4	3	3	1	1	1	1
Credit Cards Issued	No.	148,481	167,424	166,181	176,750	198,843	264,058	290,264	338,692	353,826	235,310	285,888	240,653	199,124	278,154	362,114
Credit Cards In Use	No.	862,352	891,170	951,625	1,032,833	1,145,055	1,315,915	1,486,545	1,710,671	1,854,103	1,984,525	2,054,985	2,054,896	1,987,857	1,990,271	2,165,600

Sources: Central Bank of Sri Lanka and Insurance Regulatory Commission of Sri Lanka

[a] Revised

[b] Provisional

[c] Upto 2013, specialized banks were classified as National level and regional level banks.

** During 2010, business of 6 Regional Development Banks was vested with a new level bank, i.e. Pradeshiya Sanwardhana Bank*

***All outlets excluding Student Savings Units*

**** This includes Student Savings Units only.*

Note: with effect from 01.01.2013 Banking Outlets were reclassified into two categories namely branches and student savings units.

Table 27 | Labour Force and Unemployment

Item	Unit	2011 [a]	2012 [c]	2013 [c]	2014 [c]	2015 [c]	2016 [c]	2017 [c]	2018 [c]	2019[c]	2020[c]	2021[c]	2022[c]	2023[c]	2024[c]	2025[c] [e]
Labour Force																
Total Labour Force	000'	7,936	7,808	8,034	8,048	8,214	8,311	8,567	8,388	8,592	8,467	8,553	8,547	8,408	8,316	8,554
Labour Force Participation Rate	%	52.9	52.5	53.7	53.2	53.8	53.8	54.1	51.8	52.3	50.6	49.9	49.8	48.6	47.4	49.4
Employed Population by Industry																
Agriculture	000'	2,519	2,338	2,321	2,223	2,245	2,154	2,140	2,044	2,072	2,170	2,213	2,159	2,088	2,067	1,965
Industry	000'	1,820	1,942	1,997	2,027	2,018	2,098	2,331	2,239	2,258	2,153	2,110	2,158	2,043	2,031	2,153
Services	000'	3,262	3,217	3,363	3,450	3,568	3,696	3,737	3,732	3,850	3,677	3,791	3,831	3,878	3,852	4,101
Unemployment																
Unemployment No.	000'	335	310	353	348	383	363	359	373	411	468	440	399	398	366	335
By Gender																
Male	000'	142	147	164	165	158	154	156	164	185	339	316	316	196	167	n.a
Female	000'	193	163	189	183	225	209	203	209	226	720	676	556	202	199	n.a
By Age Group																n.a
15–19 years	000'	43	43	48	49	56	58	46	53	54	n.a.	n.a.	n.a.	39.7	38.8	n.a
20–29 years	000'	211	184	208	206	222	221	215	229	242	n.a.	n.a.	n.a.	242.1	229.9	n.a
30–39 years	000'	53	49	53	54	61	48	53	56	59	n.a.	n.a.	n.a.	56.4	57.2	n.a
Over 40 years	000'	28	34	43	39	45	36	45	35	57	n.a.	n.a.	n.a.	60.2	40	n.a
By Level of Education																
Grade 5 & Below	000'	10	8	14	11	10	10	11	8	12	n.a.	n.a.	n.a.	7.2	5	n.a
Grade 6 – 10	000'	128	116	129	131	132	129	108	113	129	n.a.	n.a.	n.a.	123.7	98.3	n.a
GCE O/L	000'	66	84	78	78	94	80	89	80	98	n.a.	n.a.	n.a.	94.0	91.4	n.a
GCE A/L & Above	000'	131	102	132	128	148	144	151	171	172	n.a.	n.a.	n.a.	173.5	171.2	n.a
Unemployment Rate	**%**	**4.2**	**4.0**	**4.4**	**4.3**	**4.7**	**4.4**	**4.2**	**4.4**	**4.8**	**5.5**	**5.1**	**4.7**	**4.7**	**4.4**	**3.9**

Source: Department of Census and Statistics

(a) Data including Eastern provinces but excluding Northern Province

(b) Excluding Mullativu and Killinochchi districts

(c) All the districts are included

(d) Excluding Northern and Eastern provinces

(e) Provisional

Note: From year 2013 lower bound of working age has changed and therefore age 15 and above population is considered as working age population. Hence, this table provides 2011,2012 and 2013 statistics considering the new lower bound(for the purpose of comparison)

n.a.- not available

Table 28 | Average Daily Wages and Strikes

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Paddy Cultivation	Rs.per day															
Male		704.00	787.00	882.00	937.00	1,056.00	1,148.00	1,245.00	1,383.00	1,493.00	1,539.00	1,640.00	2,156.00	2,435.00	2,629.00	2,745.00
Female		530.00	599.00	667.00	678.00	765.00	810.00	854.00	994.00	1,076.00	1,137.00	1,208.00	1,662.00	1,892.00	1,997.00	2,197.00
Tea Cultivation	Rs.per day															
Male		617.00	691.00	764.00	819.00	887.00	952.00	1,085.00	1,242.00	1,277.00	1,307.00	1,401.00	1,723.00	1,905.00	2,089.00	2,204.00
Female		438.00	512.00	565.00	598.00	656.00	673.00	766.00	895.00	915.00	959.00	1,004.00	1,250.00	1,353.00	1,433.00	1,526.00
Rubber Cultivation	Rs.per day															
Male		658.00	741.00	853.00	881.00	931.00	978.00	1,113.00	1,216.00	1,296.00	1,333.00	1,428.00	1,866.00	1,972.00	2,165.00	2,284.00
Female		490.00	585.00	652.00	702.00	742.00	786.00	870.00	955.00	989.00	1,026.00	1,166.00	1,410.00	1,483.00	1,515.00	1,666.00
Coconut Cultivation	Rs.per day															
Male		783.00	887.00	997.00	1,061.00	1,114.00	1,182.00	1,284.00	1,374.00	1,456.00	1,509.00	1,636.00	2,199.00	2,428.00	2,624.00	2,769.00
Carpentry	Rs.per day															
Master Carpenter		1,115.00	1,248.00	1,334.00	1,406.00	1,486.00	1,622.00	1,795.00	1,990.00	2,107.00	2,300.00	2,528.00	3,027.00	3,286.00	3,443.00	3,563.00
Skilled and Unskilled		729.00	824.00	903.00	958.00	1,034.00	1,131.00	1,249.00	1,335.00	1,410.00	1,515.00	1,629.00	2,036.00	2,238.00	2,404.00	2,522.00
Masonary	Rs.per day															
Master Mason		1,093.00	1,216.00	1,304.00	1,376.00	1,450.00	1,596.00	1,785.00	1,994.00	2,109.00	2,310.00	2,537.00	3,077.00	3,315.00	3,470.00	3,643.00
Skilled and Unskilled		729.00	823.00	900.00	955.00	1,029.00	1,131.00	1,257.00	1,350.00	1,409.00	1,516.00	1,654.00	2,054.00	2,273.00	2,418.00	2,570.00
Strikes																
No. of Strikes		27	34	42	38	51	41	33	51	25	28	21	22	8	13	19

Sources : Department of Labour and Central Bank of Sri Lanka

[a] Revised

[b] Provisional

Table 29 | Poverty and Inequality

Index	Unit	Survey Period					
		2002	2006/07	2009/10	2012/13	2016	2019[a]
Poverty Head Count Index							
Sri Lanka	%	22.7	15.2	8.9	22.5	16.0	14.3
Sector							
Urban	%	7.9	6.7	5.3	2.1	1.9	6.0
Rural	%	24.7	15.7	9.4	7.6	4.3	15.0
Estate	%	30.0	32.0	11.4	10.9	8.8	33.8
District							
Colombo	%	6.4	5.4	3.6	1.4	0.9	2.3
Gampaha	%	10.7	8.7	3.9	2.1	2.0	5.7
Kalutara	%	20.0	13.0	6.0	3.1	2.9	12.2
Kandy	%	24.9	17.0	10.3	6.2	5.5	14.3
Matale	%	29.6	18.9	11.5	7.8	3.9	19.6
Nuwara Eliya	%	22.6	33.8	7.6	6.6	6.3	26.3
Galle	%	25.8	13.7	10.3	9.9	2.9	13.2
Matara	%	27.5	14.7	11.2	7.1	4.4	11.1
Hambantota	%	32.2	12.7	6.9	4.9	1.2	13.6
Jaffna	%	–	–	16.1	8.3	7.7	25.8
Mannar		–	–	–	20.1	1.0	8.0
Vavunia	%	–	–	2.3	3.4	2.0	13.9
Mullaitivu		–	–	–	28.8	12.7	44.5
Killinochchi		–	–	–	12.7	18.2	26.4
Batticaloa	%	–	10.7	20.3	19.4	11.3	20.8
Ampara	%	–	10.9	11.8	5.4	2.6	17.2
Trincomalee	%	–	–	11.7	9.0	10.0	18.3
Kurunegala	%	25.4	15.4	11.7	6.5	2.9	12.5
Puttlum	%	31.3	13.1	10.5	5.1	2.1	10.5
Anuradapura	%	20.4	14.9	5.7	7.6	3.8	8.1
Polonnaruwa	%	23.7	12.7	5.8	6.7	2.2	17.0
Badulla	%	37.3	23.7	13.3	12.3	6.8	32.3
Monaragala	%	37.2	33.2	14.5	20.8	5.8	21.0
Rathnapura	%	34.4	26.6	10.5	10.4	6.5	24.9
Kegalle	%	32.5	21.1	10.8	6.7	7.1	20.8
Poverty Gap	%	5.1	3.1	1.0	1.2	0.6	2.8
Squared Poverty Gap	%	1.6	0.9	0.5	0.30	0.10	0.90
Poverty Shortfall	Average (Rs./Month)	317	448	587	607	620	729
Gini Coefficient of Per Capita Expenditure		0.40	0.40	0.36	0.39	0.40	n.a.
Gini Coefficient of Household Expenditure		0.41	0.41	0.37	0.40	0.41	n.a.
Gini Coefficient of Household Income		0.47	0.49	0.49	0.48	0.45	0.46
Quintile Ratio	%	6.9	6.7	5.7	12.0	11.8	n.a.

Source: Department of Census and Statistics

Household Income and Expenditure Survey 2002 (excluding Northern and Eastern provinces)

Household Income and Expenditure Survey 2006/07 (excluding Northern province and Trincomalee district)

Household Income and Expenditure Survey 2009/10 (excluding Mannar, Mullaithivu and Killinochchi districts)

Household Income and Expenditure Survey 2012/13 (covered all districts)

Household Income and Expenditure Survey 2016 (covered all districts)

Household Income and Expenditure Survey 2019 (covered all districts)

[a] *Based on Updated poverty line (based 2012/13 on NCPI)*

Table 30 | Remittances and Departures for Foreign Employment

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Total Remittances	**US$ mn**	**5,145**	**5,985**	**6,407**	**7,018**	**6,980**	**7,242**	**7,164**	**7,015**	**6,717**	**7,104**	**5,490**	**3,789**	**5,970**	**6,575**	**8,076**
By Country																
Middle East		3,030	3,358	3,562	3,902	3,769	3,889	3,711	3,592	3,459	3,673	2,834	1,936	2,530	2,938	3,470
European Union		885	1,071	1,160	1,270	1,222	1,282	1,311	1,312	1,263	1,350	1,032	705	458	561	919
Europe, Other		232	275	308	337	307	739	330	309	282	305	231	155	364	415	718
East Asia		401	509	557	611	698	333	824	849	826	870	686	481	420	451	484
North America		154	174	186	204	209	210	208	182	161	178	126	91	494	493	559
South and Central America		41	48	58	63	63	398	50	35	27	21	16	15	1,023	819	296
South East Asia		206	263	288	316	391	174	394	407	376	408	324	220	49	78	160
South Asia		51	90	83	91	98	109	107	154	134	114	93	76	129	172	196
Australia and New Zealand		103	132	147	161	161	51	172	154	175	178	143	102	109	145	374
Other		41	66	58	63	63	58	57	21	13	7	5	8	395	504	899
Total Departures	**No.**	**262,961**	**282,447**	**293,218**	**300,703**	**263,443**	**242,816**	**211,992**	**211,211**	**203,087**	**53,713**	**122,887**	**311,056**	**297,656**	**314,670**	**311,223**
Skilled		**199,281**	**219,540**	**222,241**	**221,184**	**185,458**	**171,160**	**150,938**	**159,508**	**151,899**	**39,719**	**91,006**	**205,547**	**208,586**	**244,364**	**237,010**
Professional		3,844	4,448	5,151	5,372	6,251	6,578	6,379	9,005	9,861	2,929	8,575	14,512	18,079	22,269	21,223
Middle Level		6,134	9,280	16,510	20,778	6,951	8,234	7,127	6,530	5,725	1,480	4,267	8,130	n.a.	14,513	15,913
Clerical and Related		9,906	16,184	26,561	29,267	12,501	10,862	9,271	9,434	9,163	2,484	6,570	12,135	11,532	14,053	13,526
Skilled		67,726	67,150	73,707	73,162	81,682	76,545	68,980	67,013	62,711	16,690	40,390	92,673	93,113	94,619	92,751
Semi Skilled		4,180	3,467	3,412	3,977	4,847	3,926	3,297	2,769	2,950	748	1,938	4,132	3,956	4,956	6,916
Housemaid Female		107,491	119,011	96,900	88,628	73,226	65,015	55,884	64,757	61,489	15,388	29,266	73,965	81,906	93,954	86,681
Unskilled		**63,680**	**62,907**	**70,977**	**79,519**	**77,985**	**71,656**	**61,054**	**51,703**	**51,188**	**13,994**	**31,881**	**105,509**	**89,070**	**70,306**	**74,213**

Sources : Sri Lanka Bureau of Foreign Employment and Central Bank of Sri Lanka

[a] *Revised*

[b] *Provisional*

n.a.- not available

Table 31 | Welfare Payments and Development Subsidies

Rs. Million

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023[a]	2024[a]	2025[b]
Healthcare															
Pharmaceuticals (free medicine)	16,617	16,740	27,269	34,805	31,703	38,028	38,596	43,440	54,068	85,545	77,001	75,718	143,740	180,300	151,198
Empowering the Vulnerable and Needy															
Samurdhi	9,044	10,553	15,256	15,042	39,994	40,740	39,707	39,239	44,660	52,434	55,400	36,823	90,092	161,797	159,845
Aswasuma Programme	–	–	–	–	–	–	–	–	–	–	–	–	172,032	186,389	287,993
No. of Beneficiaries (Families Mn)	1.5	1.5	1.4	1.5	1.4	1.4	1.4	1.4	1.8	1.8	1.8	1.8	2.4	–	1.6
Assistance to Elderly (Over 70yrs age)	950	554	2,045	2,655	8,039	9,060	9,008	9,590	9,856	9,893	9,805	4,830	-	30	30
Daily Allowance for Differently Abled Students	80	80	123	138	220	247	195	31	26	–	10	21	51	30	30
Allowance for Disable People	394	403	513	479	936	1,114	1,083	43	41	4,293	4,311	2,153	43,098	11,129	36,900
Financial Supports for kidney patients	–	–	–	–	–	487	869	1,318	1,451	1,776	2,326	1,154	n.a	3,712	4,500
Empowering Government Security Forces															
Allowance for the Third Child of Soldiers	297	313	458	46	–	–	–	–	–	–	–	–	-	-	-
Death and Disabled Soldiers Compensation	13,316	14,779	16,152	18,244	23,433	26,772	27,808	30,359	33,637	37,460	37,907	40,244	n.a	46,911	46,017
Agriculture Development															
Fertilizer Subsidy	29,802	36,456	19,706	31,858	49,571	27,771	30,361	26,879	34,966	36,687	21,235	62,477	53,782	25,070	36,815
Paddy Purchasing (To Stabilize the Paddy Prices)	1,629	1,440	1,789	228	7,480	242	–	–	–	119	814	–	–	–	–
Commercial Crop Development															
Crop Subsidy															
Tea	171	182	272	331	7,292	549	445	615	588	737	1,177	462	686	500	745
Rubber	485	435	587	763	2,871	713	703	542	564	823	897	652	655	500	495
Coconut	293	353	403	485	471	709	598	653	641	734	322	213	450	500	717
Cashew	29	27	49	40	35	40	54	67	70	85	64	29	47	55	8
Minor Crops – (Cinnamon, Cocoa, Coffee, Pepper)	220	185	207	254	360	380	336	440	256	529	361	241	388	400	830
School Children and University Students															
School Uniforms	1,364	2,218	2,300	3,574	2,261	2,157	2,479	1,073	3,789	2,877	2,492	1,993	2,539	12,373	217
Season Tickets	1,359	1,233	1,430	1,695	1,800	1,998	4,923	5,000	5,450	5,400	5,300	3,407	8,270	10,701	13,293
School and Dharma School Text books	2,337	2,127	2,583	2,773	3,979	5,599	4,476	157	4,807	4,669	2,814	836	23,123	20,250	6,746
Grade 5 Scholarships, Mahapola and Bursary	777	790	801	852	1,390	1,914	1,344	2,136	2,571	2,125	2,791	1,695	3,132	3,538	6,515
Nutrition Program	2,631	2,790	3,077	3,725	3,938	3,916	4,434	5,325	5,063	2,299	1,685	3,308	12,501	23,105	26,264

Table 31 | Welfare Payments and Development Subsidies contd...

Rs. Million

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023[a]	2024[a]	2025[b]
Thriposa for Children and Expectant Mothers	1,336	1,189	1,396	1,787	1,956	1,351	1,692	1,982	2,187	1,122	1,231	716	2,370	2,450	2,189
Poshana Malla for Expectant Mothers	360	249	203	279	2,422	5,746	5,408	5,490	5,279	4,751	5,248	3,690	5,999	10,000	8,138
Morning Milk for Pre-school and school Children	249	205	230	197	189	106	167	256	327	297	n.a.	n.a.	707	n.a	n.a
Poshana Manpetha and Lama Saviya	18	17	19	21	49	30	-	-	-	76	110	148	4	n.a	n.a
Disaster Assistance															
Flood and Drought Relief	649	153	148	521	271	132	5,854	5,279	406	235	303	83	141	745	5,733
Cooked Meals and Dry Rations	199	54	32	28	118	111	-	-	-	-	-	-	-	-	-
Assistance to Religious Places															
Water for Religious Places	46	49	47	50	50	-	-	-	-	-	-	-	-	-	-
Transport Facilities															
SLTB Transport Facilities – Uneconomical Routes	1,922	2,184	2,335	4,770	4,975	4,999	5,000	5,004	5,500	6,000	5,300	2,400	3,690	2,000	2,000
Transportation Facilities for Armed Forces	257	182	169	276	300	289	321	219	262	218	142	33	196	400	257
Contribution of Socially Obligatory Bus Services (Sisu Sariya, Gami Sariya, Nisi Sariya)											271	333	1,580	1,400	2,200
Common Facilities															
Street Lighting	123	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25	6	-	-	-	-
Total	**-25,830**	**-64,348**	**109,296**	**115,872**	**201,787**	**198,482**	**154,151**	**64,049**	**115,746**	**201,498**	**340,326**	**737,941**	**915,354**	**716,118**	**801,987**

Source: Department of National Budget, Department of Treasury Operations and Department of Public Enterprises

[a] Revised

[b] Provisional

n.a.- not available

Table 32 | Tourism

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
Tourist Arrivals by Country of Nationality	**No.**	**855,975**	**1,005,605**	**1,274,593**	**1,527,153**	**1,798,380**	**2,050,832**	**2,116,407**	**2,333,796**	**1,913,702**	**507,704**	**194,495**	**719,979**	**1,487,303**	**2,053,465**	**2,362,521**
North America		53,658	59,236	65,616	72,653	91,956	98,376	105,297	129,492	119,681	31,617	11,281	49,410	91,080	102,812	113,289
Latin America & the Caribbean		1,167	1,626	3,166	3,202	5,698	5,625	5,560	8,134	7,742	226	478	2,020	4,183	5,866	6,541
Western Europe		320,431	373,063	421,037	498,758	599,415	643,333	680,901	840,956	690,716	157,375	27,269	128,279	233,297	340,016	395,039
Eastern Europe		51,922	72,401	125,695	141,984	125,284	161,171	161,967	176,905	196,856	124,221	66,227	303,947	524,030	700,429	757,916
Middle East		36,376	56,169	80,509	88,654	101,676	107,635	95,581	71,636	44,143	10,231	4,452	18,107	27,830	29,205	32,338
Africa		6,736	5,045	8,081	10,674	14,473	12,144	12,703	14,873	15,094	2,880	862	4,679	9,950	14,441	17,639
Asia		334,274	380,289	509,653	640,045	787,483	938,697	962,395	966,731	734,056	158,448	79,159	179,661	75,635	759,462	916,348
Australasia		51,411	57,776	60,836	71,183	72,395	83,851	92,003	125,069	105,414	22,706	4,767	33,876	521,298	101,234	123,411
Tourist Arrivals by Purpose of Visit *	**No.**															
Leisure		687,830	748,436	915,158	1,037,644	1,198,240	1,710,027	1,744,149	1,979,819	1,592,212	444,328	151,803	428,838	851,976	806,320	1,389,280
Private & Official Business		68,436	90,040	67,553	4,616	6,705	37,121	77,086	76,702	70,269	13,946	4,619	30,057	67,328	41,885	53,627
Convention & Meetings		14,681	22,220	26,766	4,495	5,240	16,652	27,455	29,048	18,865	5,750	1,006	15,888	81,796	86,050	162,046
Visiting Friends & Relations		70,531	117,520	164,422	419,266	458,411	236,127	237,874	223,916	200,496	38,650	32,336	164,109	215,395	103,807	198,862
Religious & Cultural		2,321	22,371	65,004	200	1,202	390	281	168	484	53	22	299	–	–	12,033
Sports & Health		–	–	–	–	–	–	27,580	22,799	–	–	–	–	–	–	8,234
Other		12,178	5,018	35,689	60,932	128,582	50,515	1,982	1,334	31,376[b]	4,969	4,709	80,787	270,808	1,015,400	538,439
Official Tourist Receipts *	USD Mn	830	1,038	1,715	2,431	2,981	3,519	3,925	4,381	3,610	682	507	1,136	2,068	3,169	3,219
Receipt Per Tourist Per Day *	USD Mn	98.0	103.0	156.5	160.8	164.1	168.2	170.1	173.8	181.2	158.1	172.6	164.4	164.4	181.2	148.3
Average Duration (Nights)*	No.	10	10	9	10	10	10	11	11	10	9	15	9	8	8	8
Accommodation Capacity Hotels (Classified/ unclassified and Boutique Hotels	**No.**															
Rooms		14,653	15,510	16,223	18,510	19,377	22,336	23,477	24,757	24,831	25,407	25,958	25,597	26,422	27,272	28,048
Beds*		28,844	30,880	32,284	36,883	38,479	45,509	48,550	52,237	52,393	53,269	54,512	53,757	54,576	56,764	57,935
Foreign Travel by Sri Lankans (Departures)		1,239,290	1,268,792	1,261,711	1,311,063	1,356,411	1,447,786	1,439,429	1,471,481	1,441,462	305,143	309,220	1,127,512	1,462,246	n.a	n.a
Revenue from Tourism																
Tourism Development Levy	Rs. Mn	653.5	809.4	1,044.2	1,005.6	1,014.8	1,276.8	1,541.5	1,482.1	924.2	537.8	n.a.	n.a.	n.a	2,582.1	2,583.6
Embarkation Tax on Foreign Tourists	Rs. Mn	1,041.7	1,161.6	1,604.9	1,779.8	1,968.5	2,355.4	2,378.8	2,824.9	2,089.2	489.5	n.a.	n.a.	n.a	4,284.7	5,870.2

Table 32 | Tourism contd...

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[a]
Museums																
Number of Foreign Visitors		31,096	37,305	44,751	454,053	558,521	59,982	68,107	8,551	64,877	16,731	2,394	12,585	47,339	84,721	97,888
Revenue from Sale of Tickets	Rs. '000	14,200.0	16,842.5	14,982.0	831,587.0	1,011,585	33,636	50,210	76,035	56,472	14,116	1,884	2,236	51,195	91,097	98,417
Cultural Triangle																
Number of Foreign Visitors		239,920	592,980	504,699	627,136	722,676	905,333	978,606	980,096	730,854	185,115	33,390	216,847	477,978	868,831	956,961
Revenue from Sale of Tickets	Rs. Mn	998.2	1,330.7	1,727.0	2,178.0	2,496	3,363.3	3,774.4	4,200.1	3,288.1	830.7	173.0	1,540.5	3,490.1	7,601.6	n.a
Zoological Gardens																
Number of Foreign Visitors		284,898	287,485	305,860	348,842	393,064	415,776	369,685	373,106	226,651	5,058	13,777	57,596	150,300	217,954	250,745
Revenue from Sale of Tickets	Rs. Mn	470.2	480.7	550.9	745.7	813.9	841.1	729.0	698.8	477.8	9.7	25.3	133.1	528.8	889.7	969.2
Botanical Gardens																
Number of Foreign Visitors		237,763	259,572	293,454	345,468	407,553	465,405	440,270	463,695	331,888	93,385	18,412	103,322	227,729	345,594	361,648
Revenue from Sale of Tickets	Rs. '000	253,896	279,045	314,871	369,858	435,151	594,297	640,043	673,428	537,092	181,825	35,785	200,183	568,651	1,031,706	1,235,199
Wild Life Parks																
Number of Foreign Visitors		198,536	254,052	325,153	454,053	558,521	783,203	934,633	1,100,435	856,804	219,828	53,519	301,464	583,703	909,967	1,141,134
Revenue from Sale of Tickets	Rs. '000	301,009	468,098	578,459	831,388	1,011,583	1,445,966	1,730,718	2,138,490	1,827,751	494,987	135,599	1,219,166	3,779,521	5,421,398	6,304,509

Source: Sri Lanka Tourism Development Authority
[a] Provisional
** Estimated*
Note: Since 2014, data on "tourist arrivals by purpose of visit" as per the new classification
n.a.- not available

Table 33 | Livestock Sector

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Total Livestock Population		**16,262**	**16,191**	**18,619**	**18,468**	**18,542**	**39,108**	**43,513**	**43,279**	**22,211**	**25,040**	**25,105**	**23,530**	**18,858**	**36,808**	**44,124**
Cattle	No. '000	1,192	1,254	1,169	1,105	1,088	1,366	1,400	1,463	1,086	1,104	1,131	1,128	1,122	1,551	1,526
Buffalo	No. '000	405	415	381	321	323	426	445	458	298	323	333	285	327	452	441
Goat/Sheep	No. '000	384	394	341	307	317	470	513	523	325	346	362	378	363	743	750
Swine	No. '000	82	89	81	105	70	125	155	190	91	93	99	100	102	95	89
Chicken	No. '000	14,199	14,039	16,647	16,630	16,744	36,720	41,000	40,645	20,411	24,278	24,311	22,767	18,065	35,518	42,844
Total Production																
Milk	Mn Lt.	258	299	329	334	374	454	483	495	448	415	513	506	504	403	405
Chicken meat	t '000	117	137	145	150	164	174	201	214	224	216	237	228	236	259	291
Eggs	Mn	1,185	2,279	1,637	1,721	1,899	2,201	2,856	2,853	2,084	2,436	1,954	1,849	1,604	2,953	3,652
Mutton	t	1,790	1,600	1,840	1,340	1,350	1,400	1,740	1,630	1,810	1,610	2,500	2,683	2,750	2,662	2,641
Pork	t	9,800	7,030	7,040	7,080	7,018	7,280	7,890	10,470	9,000	8,580	9,820	9,302	9,370	8,960	2,968
Domestic Demand																
Domestic Demand – Milk																
Milk Requirement	Mn. Ltrs per Year	767	742	740	938	1,035	1,166	1,207	1,264	1,139	1,157	n.a.	797	n.a	954	953
Domestic Production	Mn Ltrs.	258	299	329	334	374	454	483	495	424	415	513	506	504	403	405
Domestic Production / Total Req. Ratio	%	34	40	44	36	36	35	40	39	37	36	n.a.	63	n.a	42	42
Production Gap	Mn Ltrs.	509	443	411	604	632	713	724	769	715	743	n.a.	291	n.a	551	548
Domestic Demand – Chicken																
Chicken Requirement	t'000 per year	267	260	262	149	165	174	201	214	n.a	n.a	n.a.	228	n.a	256	289
Domestic Production	t'000	117	137	145	150	165	174	201	214	224	216	237	228	236	259	291
Production Gap	t'000	150	122	117	–	–	–	0	0	n.a	n.a	n.a.	-0.4	n.a	n.a	n.a
Domestic Demand – Egg																
Egg Requirement	Mn. per Year	3,809	3,710	3,738	2,231	2,203	2,201	2,861	2,858	n.a	n.a	n.a	2,212	n.a	2,941	3,635
Domestic Production	Mn.	1,185	2,279	1,637	1,721	1,899	2,201	2,856	2,853	2,631	2,435	1,954	1,849	1,604	2,953	3,652
Production Gap	Mn.	2,624	1,431	2,101	510	304	0	5	6	n.a	n.a	n.a	363	n.a	n.a	n.a
Per Capita Availability																
Milk	LME L per Year	12	15	16	16	18	21	23	23	21	22	23	23	23	41	47
Chicken Meat	kg per Year	6	7	7	7	8	8	9	10	10	10	11	10	11	12	13
Eggs	No. per Year	82	113	103	108	109	105	133	132	96	85	88	83	73	138	167
Mutton	kg per Year	0.1	...	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Pork	kg per Year	0.3	0.4	0.3	0.3	0.3	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.2
Beef	kg per Year	1.7	1.7	1.8	1.6	1.5	1.5	1.4	1.3	1.4	0.6	1.4	1.0	1.2	1.4	1.3

Table 33 | Livestock Sector contd...

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Imports																
Milk and Milk Products	t	88,129	83,818	69,452	71,027	86,327	99,593	98,864	104,862	98,838	102,356	88,484	54,299	71,182	67,151	85,363
	Rs. Mn	38,192	39,023	37,572	44,308	34,088	36,338	48,145	54,002	55,647	61,933	63,094	68,332	88,624	72,185	107,535
Poultry and Poultry Products	t	1,952	845	353	354	592	253	280	301	235	156	55	190	229	67	74
	Rs. Mn	300	148	112	99	129	100	167	162	121	84	19	222	215	67	63
Mutton and Mutton Products	t	169	338	386	350	503	485	545	517	907	933	680	152	145	186	84
	Rs. Mn	73	200	173	166	219	214	236	218	369	423	396	101	131	259	117
Pork and Pork Products	t	0	1	0	3	...	1	50	118	144	84	68	245	57	81	55
	Rs. Mn	0	1	0	1	0	0	31	73	103	55	53	289	72	100	68
Beef and Beef Products	t	61	28	36	36	51	72	151	139	121	81	37	62	48	82	80
	Rs. Mn	52	24	29	29	40	80	141	174	111	65	36	177	121	237	245

Source: Department of Animal Production and Health, Central Bank of Sri Lanka and Department of Census and Statistics

[a] Revised

[b] Provisional

n.a. not available

... negligible

Table 34 | Fisheries Sector

Item	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[a]	2025[b]
Fishing Fleet Capacity (Total Boats)	**No.**	**53,476**	**54,310**	**52,301**	**62,524**	**61,354**	**68,618**	**46,890**	**51,892**	**48,976**	**59,376**	**59,716**	**58,594**	**59,944**	**58,918**	**n.a.**
High Seas Boats		29	130	–	–	1,576	1,455	1,417	1,281	1,189	927	1,194	1,459	1,971	1,803	n.a.
Multi Day Boats		3,843	3,950	4,111*	4,447*	3,456	3,833	2,779	4,601	3,696	4,228	4,170	3,603	3,615	3,066	n.a.
One Day Boats		1,120	890	802	876	789	835	868	918	948	895	860	831	782	880	n.a.
Out Board 6–8 m FRP		22,890	23,160	23,134	23,982	24,882	26,136	22,394	24,132	23,404	24,074	24,389	24,530	25,232	24,823	n.a.
Motorized Traditional Boats		2,960	2,340	2,514	2,720	2,179	2,248	2,185	2,206	2,140	2,310	2,398	2,374	2,619	2,709	n.a.
Non-Motorized Traditional Boats (b)		21,650	22,800	20,566	29,325	26,859	32,291	16,035	17,434	16,312	16,006	25,635	24,817	24,737	24,684	n.a.
Beach Scene Boats		984	1,040	1,174	1,174	1,613	1,820	1,212	1,320	1,287	1,056	1,070	980	988	953	n.a.
Annual Fish Production	**t**	**444,830**	**484,810**	**512,840**	**535,050**	**520,190**	**530,920**	**531,310**	**527,060**	**505,830**	**428,740**	**435,910**	**397,230**	**407,070**	**410,760**	**364,190**
Marine Fish Catch		385,270	417,220	445,930	459,300	452,890	456,990	449,440	439,370	415,490	326,930	331,675	280,610	293,945	308,430	308,205
Coastal		222,350	257,540	267,980	278,850	269,020	274,160	259,720	249,020	242,580	182,560	178,260	149,440	164,995	165,040	166,190
Offshore and Deep Sea		162,920	159,680	177,950	180,450	183,870	182,830	189,720	190,350	172,910	144,370	153,415	131,170	128,950	143,390	142,015
Inland and Aquaculture		59,560	67,590	66,910	75,750	67,300	73,930	81,870	87,690	90,340	101,810	104,235	116,620	113,125	102,330	55,985
Fish for Dry or Smoking	**t**	**112,295**	**61,320**	**146,630**	**157,982**	**126,390**	**145,620**	**138,430**	**141,080**	**114,900**	**132,100**	**112,630**	**51,660**	**51,040**	**74,550**	**74,664**

Source: Ministry of Fisheries and Aquatic Resources

[a] Revised

[b] from 2014 number of nonmorotorized Traditional Boats includes both marine and fresh water driven boats.

[c] Provisional

** Including High Sea Boats*

n.a.- not available

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