BOI
SRI LANKA

2024

ANNUAL REPORT

BOARD OF INVESTMENT OF SRI LANKA

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Message from the
Chairman

The Board of Investment (BOI) reaffirms its pivotal role as a key driver of Sri Lanka's economic development. Despite the economic turbulence in the country, we managed to sustain operations at a stable level, demonstrating resilience and maintaining the confidence of global investors in Sri Lanka's potential for growth. This achievement underscores the effectiveness of our policies and efforts in positioning Sri Lanka as a preferred investment destination.

Key sectors including renewable energy, information technology, hospitality, and manufacturing have become the focal points of this growth. These sectors align with Sri Lanka's long-term vision for a diversified, sustainable economy.

Our commitment to sustainable development remains unwavering. The BOI has facilitated a range of green energy projects and eco-friendly industrial parks, further positioning Sri Lanka as a hub for environmentally-conscious investments in South Asia.

The BOI also made significant strides in enhancing the investor experience. The launch of the 'Investor Facilitation Portal' has streamlined approval processes, ensuring greater transparency, efficiency, and reduced turnaround times, creating a more investor-friendly climate.

2024 was also a year of strengthened partnerships. Through our collaboration with foreign missions and multilateral organizations, Sri Lanka's global footprint has expanded, unlocking new trade and investment opportunities for the country.

Looking ahead, the BOI remains dedicated to fostering innovation, sustainability, and inclusive development. We are deeply grateful to all our stakeholders for their trust and partnership, which have been crucial in helping us achieve these significant milestones.

Together, we will continue to build a prosperous, resilient Sri Lanka.

Arjuna Herath

Message from the
Director General

It is inspiring to see the BOI's enduring commitment and adaptability in overcoming the challenges of 2024. Our achievements are a testament to the strength of our human capital, the spirit of teamwork, and the unwavering dedication of our staff, who consistently go above and beyond to provide exceptional services. The BOI's dedication to cultivating a thriving investment landscape is evident in the strategic measures implemented over the past year.

Further reinforcing our commitment to sustainable development, the BOI has taken a significant step towards gender equity in Foreign Direct Investment by partnering with UNESCAP to sign a non-binding pledge to advance gender equality. This initiative, which aligns with SDG 5 – Gender Equality as a key strategic objective, will also serve as a significant contributor toward achieving national SDG targets.

As we reflect on our accomplishments, I want to express my sincere gratitude to our investors. Your confidence and resilience have been crucial to Sri Lanka's economic recovery and business growth. The consistent support and collaboration from our line agencies and key stakeholders have also been invaluable in ensuring the BOI's ongoing success.

Looking forward, the BOI is committed to strengthening investor confidence, leading digital transformation, and fostering a strong investment climate. With a clear vision and strategic direction, we will continue to offer outstanding services and consistent support to our investors, which will drive the economic growth and prosperity of our nation.

Renuka M Weerakone

Board of Directors

October 2024 Onwards

Mr Arjuna Herath

Chairman
Board of Investment of Sri Lanka

Mr Arjuna Herath is a corporate leader with an extensive career spanning over three decades, marked by notable contributions to both the public and private sectors. Currently, he serves as the Chairman of the Board of Investment of Sri Lanka and on the Board of the Colombo Stock Exchange.

Having recently retired as Senior Partner and Head of Consulting at Ernst & Young (Sri Lanka and Maldives), he has a wealth of experience advising clients across a wide range of industries on matters including capital markets, corporate restructuring,

governance, technology, and performance improvement. During his tenure at E&Y he was recognized as one of the 20 leading figures in Sri Lankan business in 2014 by Lanka Monthly Digest in its "Captains of Commerce & Industry" edition; he continues to be an influential figure in the corporate landscape.

The inaugural Chairman of the Data Protection Authority of Sri Lanka, Mr Herath is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (ICASL) and The Chartered Institute of Management Accountants (CIMA) and served in numerous esteemed roles in internationally accredited organizations.

Mr Herath was the founding Chief Executive Officer of Nepal Sri Lanka Merchant Bank Ltd in Nepal where he was responsible for building the bank's operations from the ground up. Furthermore in the capacity of Head Corporate Finance at the Merchant Bank of Sri Lanka & Finance PLC., he oversaw corporate advisory services, capital markets, and investment management.

His corporate career is complemented by a strong academic background with both a Bachelor of Science Degree and a Master of Arts in Financial Economics from the University of Colombo, as well as an MBA from the University of Strathclyde.

Dr Ruwani Fernando
Board Member

Dr J M R Fernando is a distinguished academic and the current Head of the Department of Finance at the University of Kelaniya, Sri Lanka. She holds a Ph.D. in Finance from the University of Waikato, New Zealand, and has a long-standing career in finance, education and research. Her teaching and research interests focus on econometrics, risk management, corporate finance, and behavioral finance, with significant contributions to the fields of capital structure, default prediction, and green finance.

Dr Fernando has received numerous accolades, including awards for her outstanding early career research and the best finance thesis. She has published in leading international journals, such as the International Review of Economics & Finance and Corporate Governance: An International Review. Additionally, she holds key editorial roles and regularly contributes as a reviewer for prominent journals and conferences.

Beyond academics, Dr Fernando has made notable contributions to national organizations, including serving as the Chief Examiner for Business Studies in Sri Lanka's G.C.E. A/L exams and as a member of the Academic Council of the Institute of Bankers of Sri Lanka.

Dr Fernando's work continues to shape the field of finance through her leadership, research, and involvement in educational development.

Mr Sujeewa Mudalige
Board Member

Mr Mudalige is a Chartered Accountant (qualified in 1991 with prize recognition) and a Fellow Member of CIMA UK, ACCA UK, and CPA Australia. He recently retired as Managing Partner of PwC Sri Lanka and Maldives after 25 years. He has held key leadership roles including Past President of the Institute of Chartered Accountants of Sri Lanka (CASL), the Confederation of Asian and Pacific Accountants (CAPA), and has served on boards and committees of CIMA Sri Lanka, Sri Lanka Accounting Standards Committee, SAFA, IESBA, and IFAC.

Currently, he serves on several regulatory bodies including the SEC, NMRA, and SLAASMB. He has been an independent director and audit committee chair of HNB Bank PLC and NDB Bank PLC, and is now Chair of Ambeon Capital PLC, Ambeon Holdings PLC, and MITESP. He also sits on the boards of CIC PLC, Maliban Biscuits Ltd, and Mahindra Ideal Finance Ltd.

His contributions extend to the Central Bank of Sri Lanka as Deputy Chair of the Financial Stability Consultative Committee and Chair of the Digital Banking, Blockchain & Cryptocurrency Committee. He has also served in academia as a board member of UCSC, PIM, and NIBM, and is currently on the Senate and Board of NSBM Green University.

Beyond finance, he has served on Sri Lanka Cricket's interim committee and ex-co. In recognition of his outstanding contributions to accounting, finance, and business, Plymouth University UK awarded him an Honorary Doctorate of Business.

Ms Harshani Randiligama
Board Member

Ms Harshani Randiligama, recognized with the "GLOBAL WOMAN ACHIEVER 2022" title by the World Women Leadership Congress (WWLC) and CMO Global/ CMO Asia, as well as "SRI LANKA'S WOMAN LEADERS 2020" by the WWLC, is a visionary leader, mentor, and trailblazer with over 20 years of experience in the field of supply chain. Her expertise spans renowned corporate giants in Sri Lanka and Australia.

Ms Randiligama holdsan MBA in Business Administration from the Postgraduate Institute of Management (PIM) in Sri Lanka and a Bachelor's Degree in Business Management specialising in Accountancy from the University of Kelaniya, Sri Lanka. Her career journey began with notable companies such as Caltex Lubricants (Chevron) and MAS Holdings, followed by leadership roles at Dialog Axiata PLC and Hayleys-Dipped Products PLC.

Throughout her career, she spearheaded key process transformation initiatives in the supply chain, including ERP implementations and capability development. Driven by a desire for global growth, Ms Randiligama expanded her horizons with roles at Teys Australia, Wesfarmers Industrial & Safety Australia, and EnerSys Australia & New Zealand, gaining invaluable experience and a multicultural perspective. However, her commitment to serving her homeland remains steadfast.

Ms Randiligama returned to Sri Lanka to take on the role of Group General Manager at Vallibel One PLC. There, she continues to drive transformation in supply chain practices while dedicating herself to mentoring and shaping the next generation of leaders.

Ms Janaki Siyambalagastenne
Board Member

Ms Janaki Siyambalagastenne is a legal professional currently serving as an Attorney-at-Law at Corporate Chambers, a law firm based in Sri Lanka.

She holds a LLM (Hons) - in International Trade Law from the University of Wales, UK and a Bachelor's Degree in Law from the University of Colombo, Sri Lanka and has passed the Final Examination for the admission of Attorney-at-Law conducted by Sri Lanka Law College with a 1st Class Honours.

Ms Siyambalagastenne was admitted and enrolled as an Attorney- at-Law of the Supreme Court of Sri Lanka in June 1997 and since been a practicing lawyer gaining valuable experience throughout her career. She has gained experience in the Republic of Maldives practicing under prominent lawyers in the country between 1998 and 2004 specifically relating to hospitality investments by International Hotel Chains in Maldives.

Since coming back to Sri Lanka in 2004, She has been practicing mostly as a corporate lawyer providing legal services to various clients within the corporate sector and handling matters related to conveyancing and civil law.

She is also a registered Company Secretary and functioned as a senior manager handling corporate matters attached to Management Systems (Pvt) Limited which is a subsidiary of Messrs. Ernst & Young from 2008 to 2010.

Board of Directors

January - October 2024

Mr Dinesh Weerakkody
Chairman, Board of Investment of Sri Lanka

Dr Dushni Weerakoon
Board Member

Mr Manil Jayesinghe
Board Member

Mr Eraj De Silva
Board Member

Ms Chandanie Wijayawardhana
Board Member

Overview of BOI

Established in 1978, the Board of Investment (BOI) of Sri Lanka serves as the country's premier investment promotion agency, functioning as the focal point of contact for investors and businesses seeking to establish and expand their operations. With a broad mandate encompassing investment promotion, facilitation, and industrial development, the BOI is dedicated to enhancing Sri Lanka's competitiveness as an attractive investment destination.

As a key driver of economic progress, the BOI plays a crucial role in attracting foreign direct investment (FDI), which serves as a catalyst for sustainable economic growth. By fostering an investor-friendly environment, the agency not only stimulates capital inflows but also contributes to the creation of specialised, skilled employment opportunities. Moreover, the BOI actively promotes technology transfer, enhances export performance, and streamlines regulatory frameworks to facilitate seamless business operations.

Beyond national economic growth, the BOI plays a significant role in regional development by encouraging the establishment of investment projects across various provinces in Sri Lanka. This strategic approach ensures equitable economic distribution, infrastructure development, and inclusive growth, further strengthening the country's position as a dynamic and resilient economy.

Purpose

The purpose of the BOI is to serve the nation by implementing national economic policies, driving foreign investment and creating a conducive investment climate. It strives to achieve sustainable foreign investment, creating export revenue and to position Sri Lanka as a sought after international investment destination.

Objectives

The key objectives of the BOI are; to foster and generate economic development, widen and strengthen the base of the economy, encourage and promote Foreign Direct Investments, diversify the sources of foreign exchange earnings and increase export earnings, encourage and foster the establishment and development of industries and enterprises within the country.

Roles

To target and attract investments to priority sectors supporting implementation of the Government's investment policy and progressively increase the level of FDI, contributing towards achieving national growth targets.

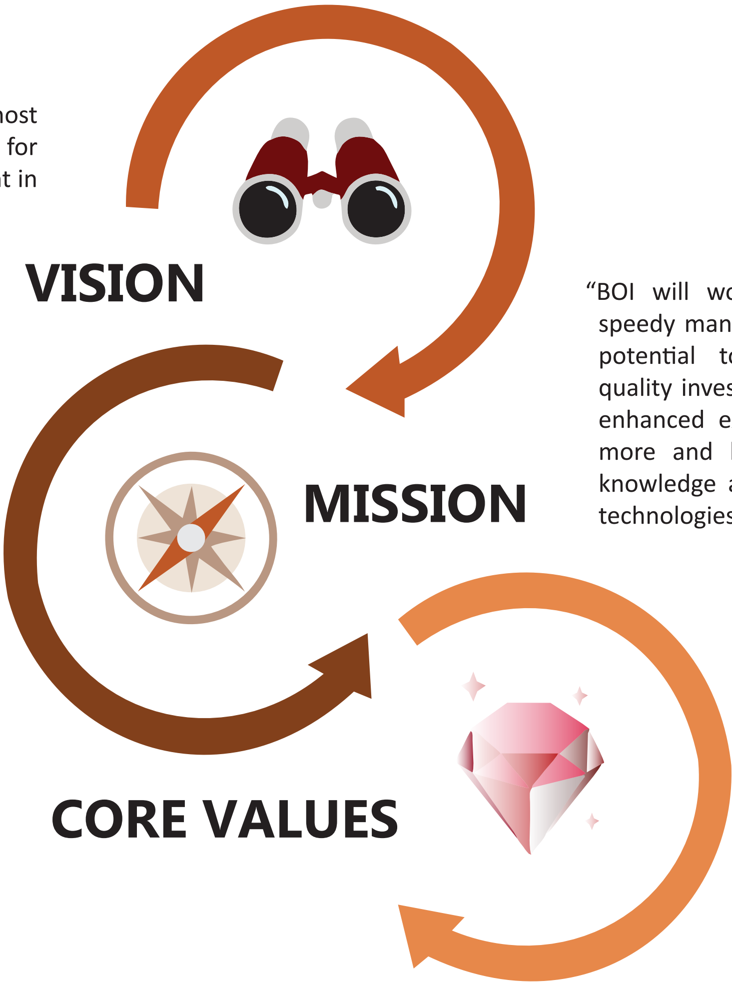
The BOI acts as the first point of contact for investors who intend to set up projects in high value-added/high-tech manufacturing, high value-added apparel, IT enabled services, tourism, food processing, logistics, education and large-scale infrastructure or other chosen sectors in Sri Lanka. Information and guidance are provided and approvals required from other line agencies are coordinated by the BOI to facilitate the investors.

The BOI conducts the evaluation of investment applications, overseeing processes such as the approval of project proposals, granting concessions, and facilitating visa issuance for expatriates.

The BOI provides assistance to investors throughout the project cycle from start-up to implementation and successful operation of the project, by facilitating and attending to import/export clearance for import of capital goods and raw materials and export of final products.

The BOI develops Export Processing Zones with readily available infrastructure facilities to provide investors with suitable sites for the implementation of projects within a minimum period of time.

"To make Sri Lanka the most preferred destination for sustainable investment in Asia"



"BOI will work in a positive and speedy manner to fulfill Sri Lanka's potential to attract and retain quality investment that leads to an enhanced export base and brings more and better jobs, enhanced knowledge and skills through new technologies and innovations"

Passion for Performance and Achievement:
BOI will set and achieve ambitious but realistic sustainable investment goals.

Bridging the Public and Private Spheres:
BOI will take pride in facilitating, securing and growing investments that help our economy to prosper. We will collaborate and partner with public and private bodies to deliver our mission, while contributing to theirs.

Integrity & Professionalism:
BOI will be dedicated to understanding the needs of investors and will deliver timely and innovative solutions. We will place integrity, honesty, sincerity, reliability, trust, fair treatment, respect and care at the heart of this dedication.

Superior Customer Service:
BOI offers customer services to levels which are proactive and significantly ahead of competing FDI locations.

People:
BOI will value the competence, collaboration, dedication and commitment to excellence of its people. We will continually focus on making BOI a great place for staff to work, develop and succeed.

Milestones

2024 – The Pledge between BOI and the UNESCAP was officially signed during the second edition of the Feminist Finance Forum, hosted by UNESCAP In Bangkok, Thailand, from 7–8 May 2024.

2023 – Awarding Green Channel Facility to felicitate steadfast investors, commemorating 45th Anniversary of Board of Investment of Sri Lanka

2022 – Silver Award Winner at AIM Awards 2022 fDi Intelligence Free Zone Awards 2022, Establishment of Investor Facilitation Centre (IFC), Launching of Partnership Finder Platform, and Long-term residence visa scheme for foreign investors

2021 – Conducted the first ever Sri Lanka Investment Forum virtually with over 5,000 local and foreign participants from 85 countries.

2020 – Initiated the development of 2 new zones at Eravur & Arabokka.

2019 – The new addition of Bingiriya EPZ to BOI Export Processing Zones.

2018 – The 40th anniversary celebration of BOI. Highest ever FDI Achieved US$ 2.37 Bn. BEPZ honoured with prestigious IR Award

2014 – BOI partnered to the “Asia Pacific Business Forum 2014”.

2013 – BOI spearheaded Investor forum for the “Commonwealth Business Forum” which was held in parallel with the “Common Wealth Heads of Government Meeting (CHOGM) 2013”.

2011 – Achieved US$ 1 Bn. FDI inflow

2009 – BOI became the first Government Institution to receive ISO 9001: 2000. BOI Jaffna Office was established.

2008 – BOI Head Office was permanently established in the World Trade Centre by purchasing nine (09) floors of the WTC.

2006 – Main driver of “300 Enterprises Program” launched with the objective of taking industry to the rural sector.

2001 – Acquired Seethawaka Zone to the Board of Investment of Sri Lanka as Seethawaka EPZ.

2000 – Establishment of Polgahawela EPZ, Mawathagama EPZ and Mirijjawila EPZ.

1999 – Establishment of Horana EPZ and Wathupitiwala EPZ

1998 – Establishment of Mirigama EPZ and Malwatta EPP

1995 – Establishment of Kandy Industrial Park.

1992 – The Board of Investment of Sri Lanka (BOI) was incorporated as a statutory body under Law No: 49 of 1992 and BOI is the successor to GCEC. “200 Garment Factory Program” was introduced to minimize the unemployment under the Government Regional Development Program.

1991 – Establishment of Koggala ExportProcessing Zone for the development of Southern Province.

1990 – Foreign Investment Advisory Committee & the GCEC were merged together and GCEC to become the sole authority to approve foreign investment in Sri Lanka.

1986 – A Job Bank was set up by the GCEC to assist Zone Enterprises. Establishment of Biyagama Export Processing Zone in 1986 as the second zone of the BOI.

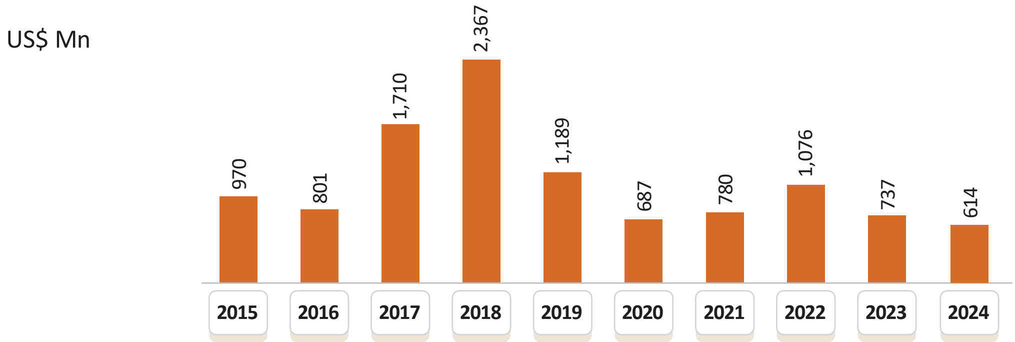
1979 – Establishment of the Katunayake Export Processing Zone in 1979 which is the first and largest zone to be maintained to date.

1978 – Greater Colombo Economic Commission (GCEC) was established under the Parliament Law No. 04 of 1978

BOI Contribution to the National Economy

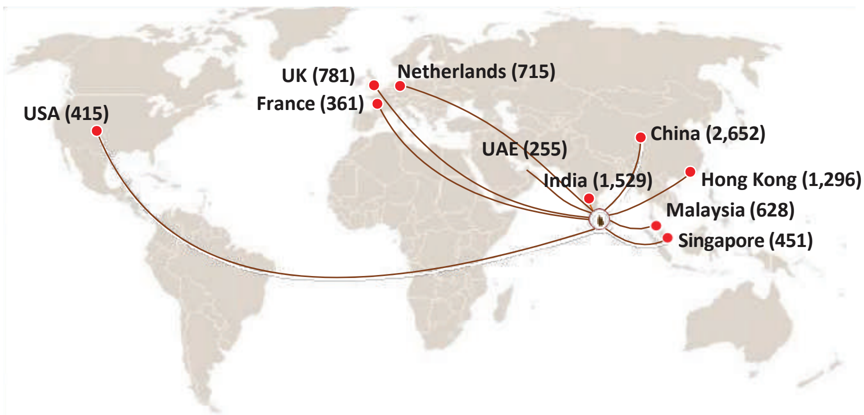
Investment Landscape

Foreign Direct Investment (FDI) Inflow (2015 - 2024)

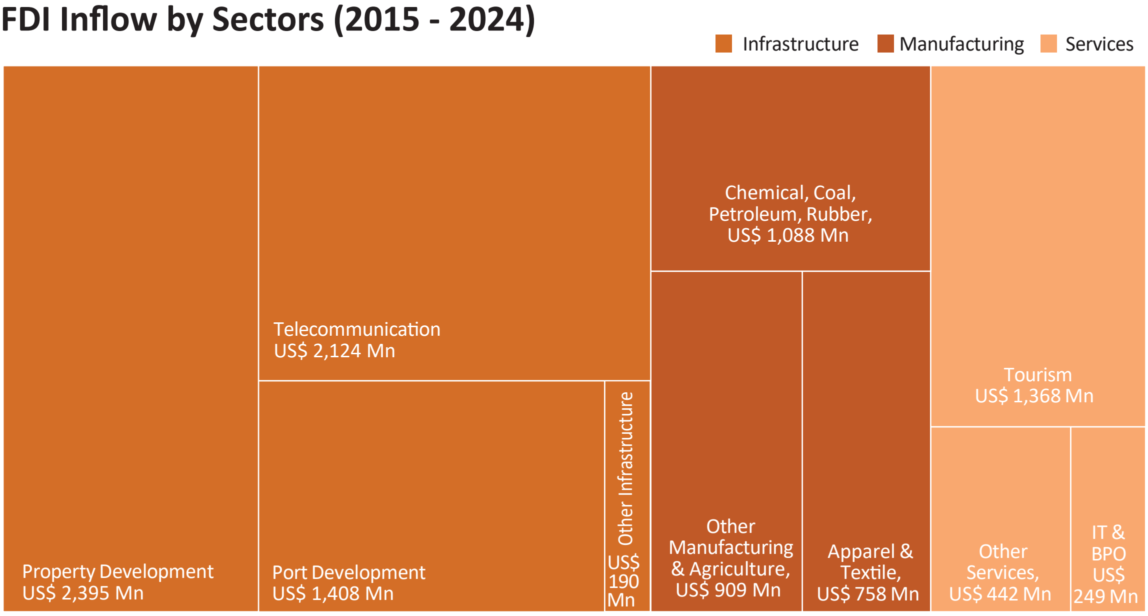


Over US$ 22 Bn Cumulative FDI Inflow Since 1978

FDI from Top 10 Investing Countries in Sri Lanka (2015 - 2024) - US$ Mn



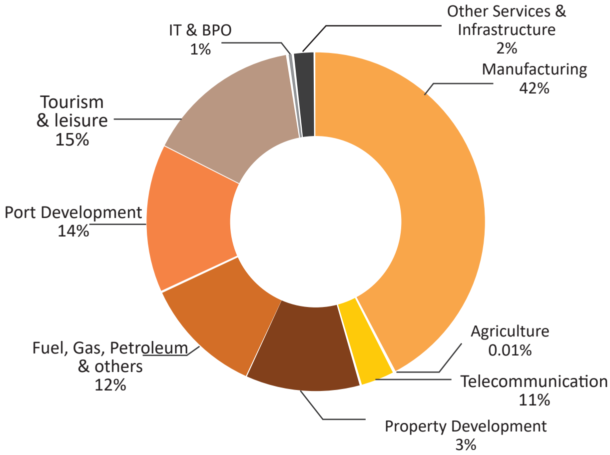
FDI Inflow by Sectors (2015 - 2024)



FDI Sectoral Contribution 2024

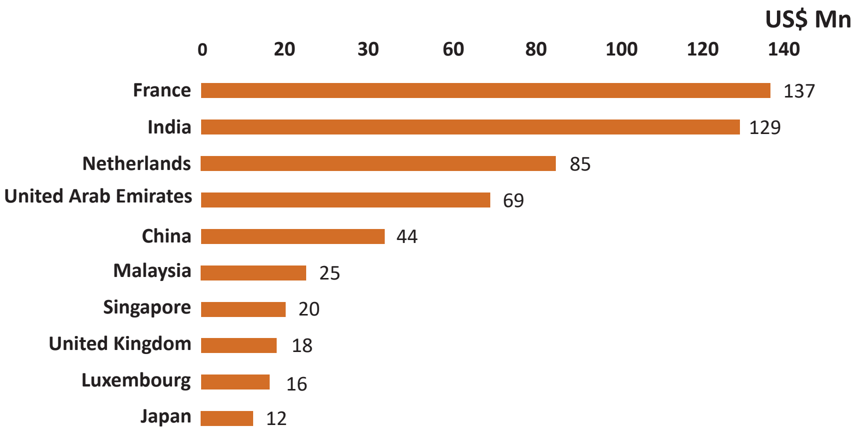
In 2024, Sri Lanka attracted total Foreign Direct Investment (FDI) amounting to US$ 614 Mn The manufacturing sector continued to dominate FDI inflows, accounting for US$ 257.88 Mn (42%) of the total. The tourism & leisure sector attracted US$ 92.19 Mn (15%) of FDI, showcasing renewed global interest in Sri Lanka's hospitality and leisure sector, while investments in port development contributed US$ 85.96 Mn (14%). The fuel, gas, and petroleum sector, attracted FDI amounting to US$ 73.68 Mn (12%) and the telecommunication sector secured US$ 67.54 Mn (11%).

Meanwhile, other sectors (property development, other services and infrastructure, IT & BPO, and agriculture) cumulatively attracted US$ 36.90 Mn (6.01%), pointing to potential growth opportunities in these sectors moving forward.

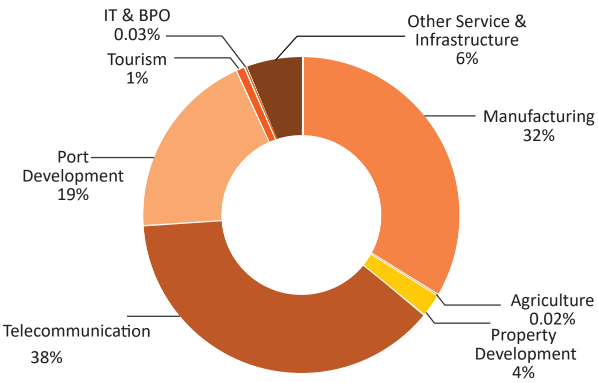


Total FDI Inflow In 2024 US$ 614 Mn

Major FDI Contributors 2024



Local Investment 2024 - Sectoral Contribution



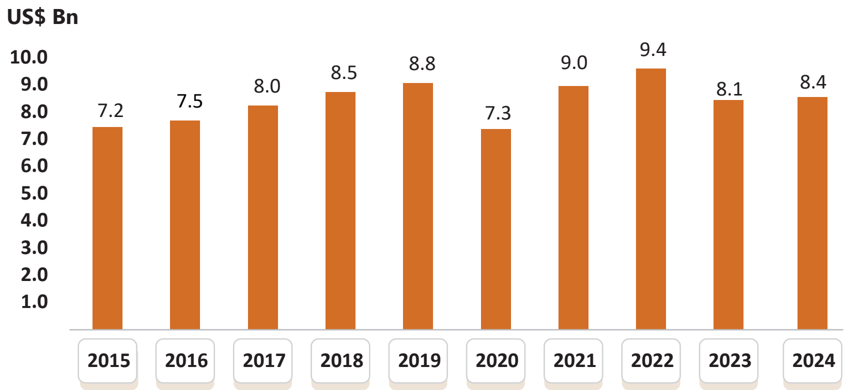
Total Local Investment in 2024 US$ 570 Mn

In 2024, the total local investment made by the BOI enterprises amounted to US$ 570 Mn, demonstrating continued confidence from domestic investors in Sri Lanka's economic prospects. Key infrastructure-related sectors attracted a significant portion of local investments, with the telecommunication sector emerging as the largest contributor, accounting for US$ 216.60 Mn (38%) of the total. This was followed by significant investments in manufacturing US$ 182.40 Mn (32%) and port development US$ 108.30 Mn (19%).

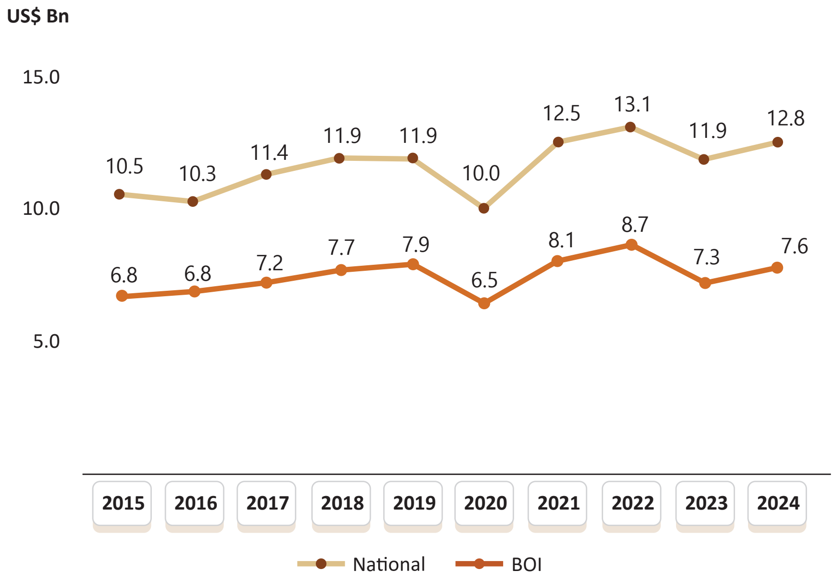
In addition, notable contributions included investments made during this period in other services and infrastructure sector (e.g. airline services, ship repairs, warehouse etc.) US$ 34.20 Mn (6%) and property development sector US$ 22.80 Mn (4%), indicating the growth in local investments. Sectors such as tourism, IT & BPO, and agriculture also recorded local investments amounting to US$ 5.98 Mn (1.05%), underscoring efforts to diversify the investment landscape.

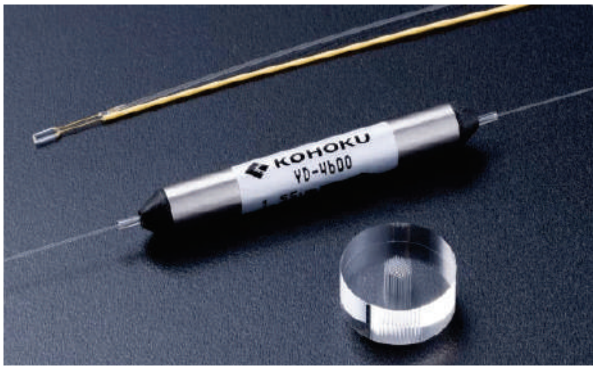
Export Performance

BOI Exports - Merchandise & Services (2015 - 2024)



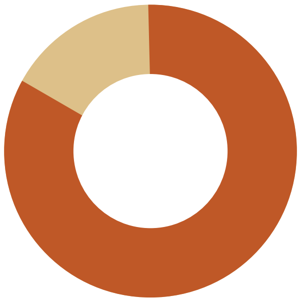
Merchandise Exports (National vs BOI) - (2015 - 2024)





National Contribution of BOI Exports 2024

59% of National Total Merchandise Exports



76% of National Industrial Exports

98% of National Garment Exports

93% of National Leather, Travel Goods and Footwear Exports

88% of National Printing Industry Products Exports

88% of National Textile Exports

92% of National Rubber Exports

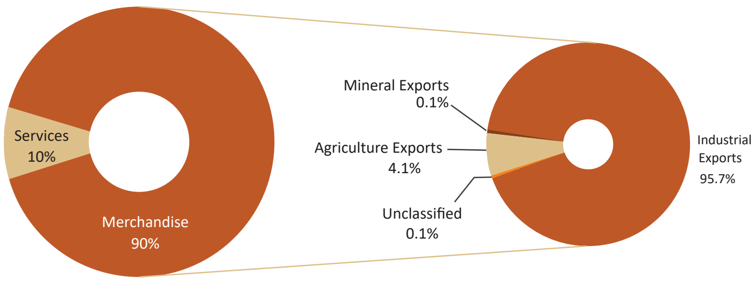
79% of National Machinery & Mechanical Appliances Exports

78% of National Transport Equipment Exports

BOI Export Portfolio 2024

In 2024, enterprises operating under the BOI contributed significantly to Sri Lanka's export performance, recording a total export value of US$ 8,388 Mn This comprised merchandise exports amounting to US$ 7,563 Mn (90%) and services exports of US$ 825 Mn (10%), reaffirming the BOI's pivotal role in strengthening the country's export-led growth strategy.

Merchandise exports remained the dominant component of the BOI export portfolio, driven primarily by industrial exports, which amounted to US$7,239 Mn (95.7%). Agricultural exports contributed 4.1%, while mineral exports and unclassified exports represented 0.1% each, reflecting a highly industrialized export structure within the BOI enterprise base.

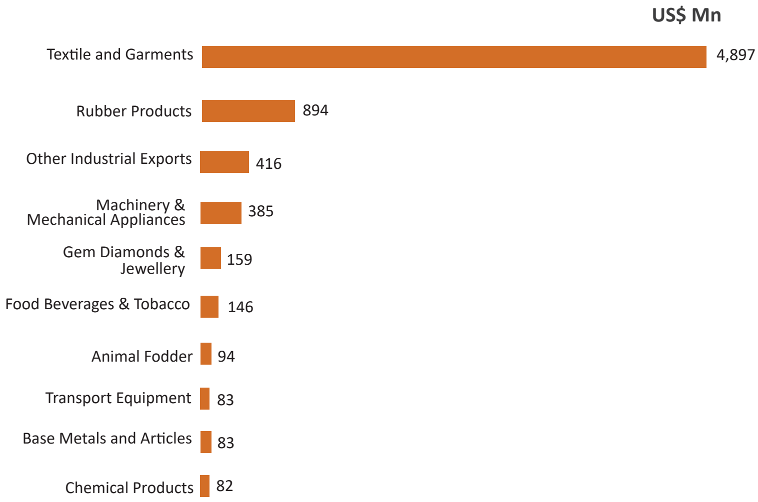


Total Merchandise Exports From BOI Companies - US$ 7.6 Bn

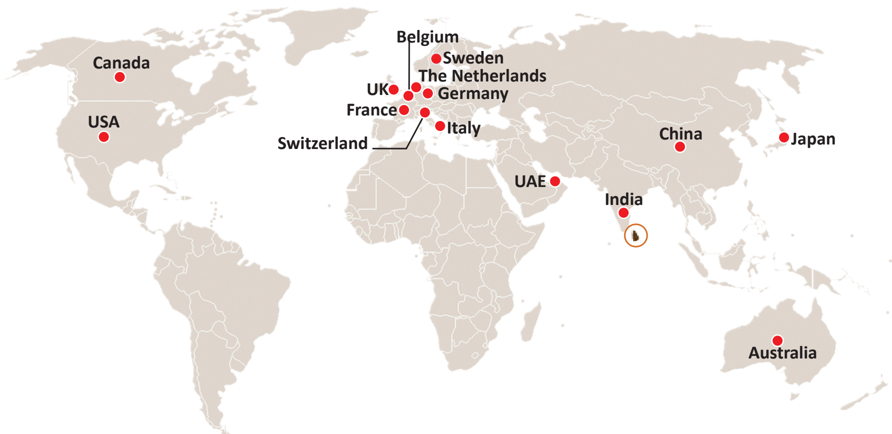
BOI Industrial Exports 2024

Industrial exports of BOI enterprises in 2024 recorded a total value of US$ 7,239 Mn, underscoring the sector's pivotal role in the national export portfolio.

Textile and garments remained the leading category with earnings of US$ 4,897 Mn (68%), followed by major sectors such as rubber products US$ 894 Mn (12.31%), other industrial exports US$ 416 Mn (5.75%), and machinery & mechanical appliances US$ 385 Mn (5.32%). Other minor sectors (gems, diamonds & jewellery; food beverages & tobacco; animal fodder; transport equipment; base metals & articl es; chemical products) generated Industrial exports earnings of US$ 647 Mn (9%) in 2024.



BOI Top Merchandise Export Destinations



During the year, the Board of Investment of Sri Lanka recorded US$ 7,563 Mn in merchandise exports, reaffirming the country's robust global trade links. The United States remained the largest export destination, accounting for US$ 2,538 Mn, followed by the United Kingdom (US$ 751 Mn) and Italy (US$ 546 Mn). The Federal Republic of Germany and India contributed US$ 476 Mn and US$ 356 Mn respectively, reflecting the strength of Sri Lanka's export performance in both Europe and South Asia.

Among other key European markets, the Netherlands (US$ 273 Mn), Canada (US$ 250 Mn), Belgium (US$ 210 Mn), and France (US$ 201 Mn) showed consistent demand for Sri Lankan merchandise. In the Asia-Pacific region, Australia (US$ 171 Mn), China (US$ 120 Mn) emerged as important destinations, with Switzerland, Sweden, the United Arab Emirates and Japan also contributing notably .

These figures highlight Sri Lanka's diversified export base across multiple regions and industries, including apparel, rubber-based products, electronics, and processed foods. With continued emphasis on value addition, market diversification, and trade facilitation, BOI remains dedicated to reinforcing Sri Lanka's global competitiveness and enhancing export-led growth.

BOI Top Service Export Destinations

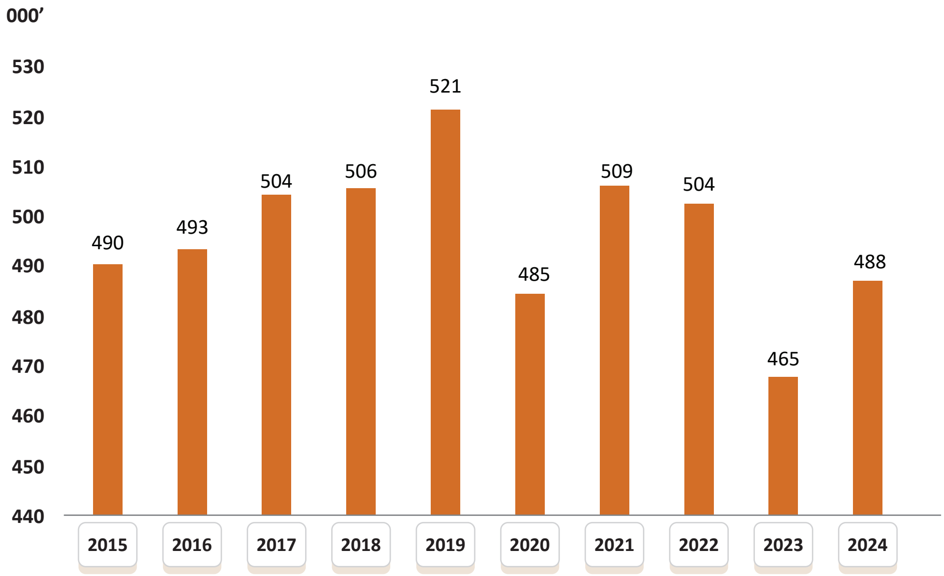
In 2024, the Board of Investment of Sri Lanka recorded US$ 825 Mn in service exports, reflecting the country's growing integration into the global services economy. Bangladesh emerged as the top destination, accounting for US$ 145 Mn, followed by the United States (US$ 131 Mn) and the United Kingdom (US$ 122 Mn).

The United Arab Emirates contributed US$ 79 Mn, while Sweden and India recorded US$ 65 Mn and US$ 45 Mn respectively. Among other key markets, the Maldives (US$ 28 Mn), Switzerland (US$ 23 Mn), Singapore (US$ 18 Mn), and Cyprus (US$ 16 Mn) continued to show strong demand for Sri Lankan service exports. Additionally, Serbia (US$ 13 Mn), Canada (US$ 12 Mn), and Australia (US$ 11 Mn) remained consistent contributors to Sri Lanka's service export earnings. Minor but notable contributions also came from Pakistan and the Netherlands, each accounting for US$ 8 Mn.

These figures underscore the increasing global demand for Sri Lanka's service exports. With a strategic focus on expanding high-value services, BOI remains committed to enhancing market access, fostering innovation, and positioning Sri Lanka as a competitive global service hub.

Employment Performance

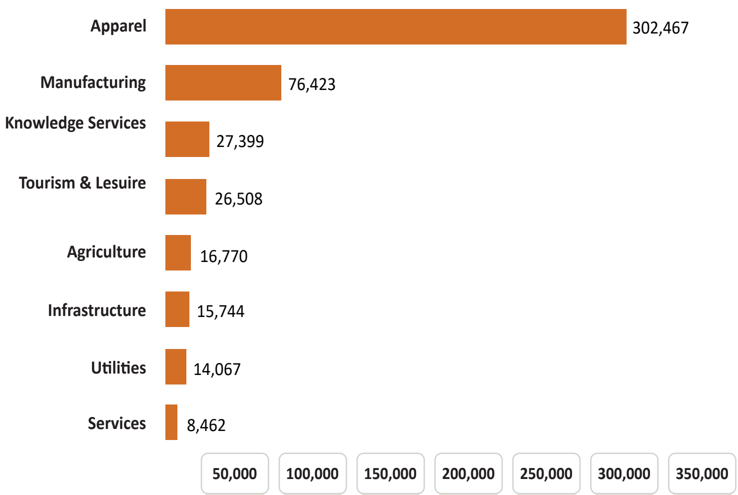
Total Direct Employment (2015 - 2024)



Employment 2024 - Sectoral Contribution

BOI approved enterprises continued to play a critical role in national employment generation in 2024, collectively providing direct employment opportunities to a substantial workforce across diverse sectors. The total employment generated was over 487,840, reflecting the BOI's sustained impact on inclusive economic development.

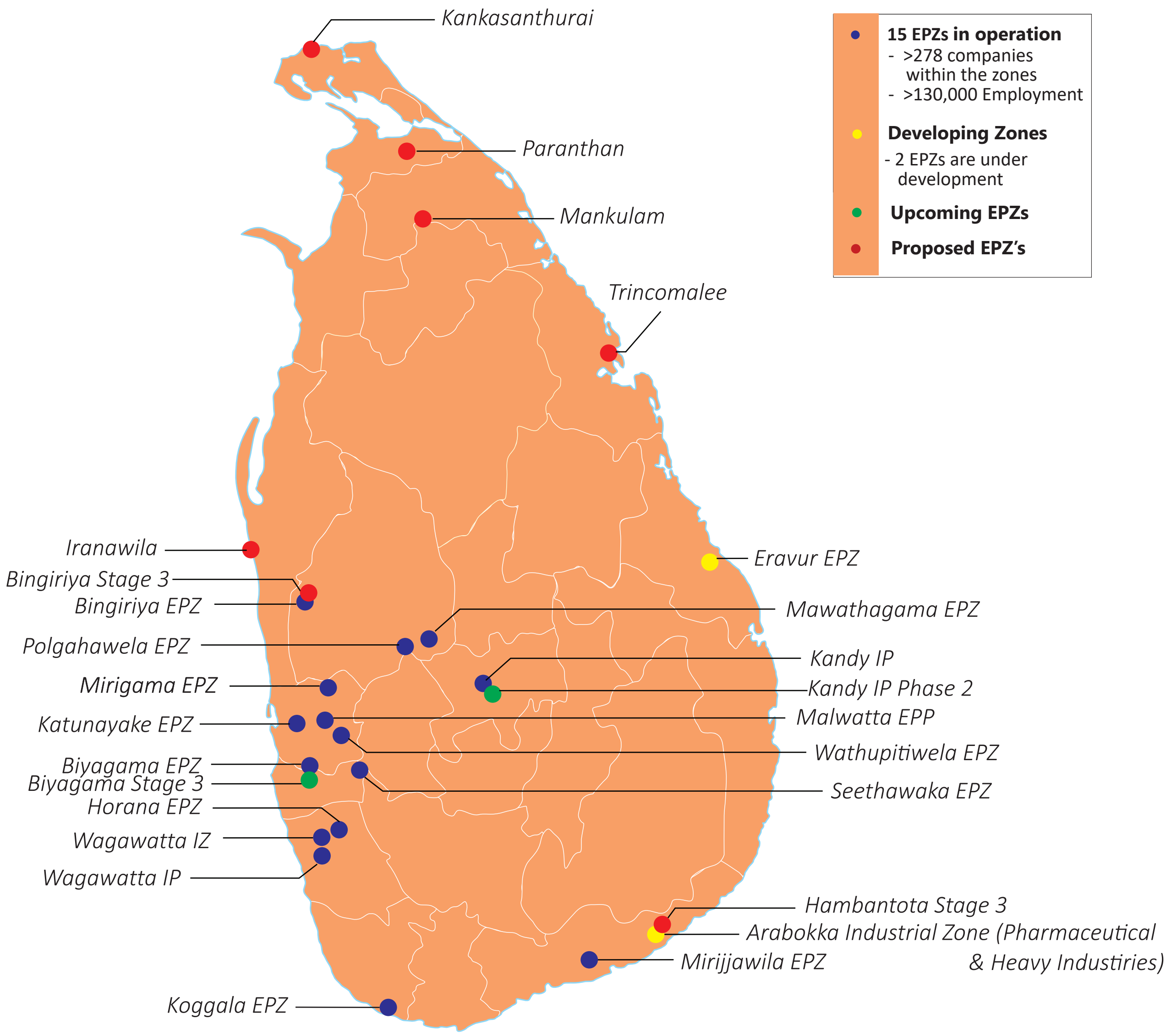
The apparel sector remained as the largest contributor to total direct employment, accounting for 302,467 jobs and reaffirming its position as a cornerstone of Sri Lanka's export-oriented industries. This was followed by the other manufacturing sector, which contributed 76,423 jobs.



Knowledge services and tourism & leisure sectors generated 27,399 and 26,508 jobs respectively, highlighting the growing importance of high-value service industries and the revival of tourism-related investments. Meanwhile, the agriculture and infrastructure sectors contributed 16,770 and 15,744 jobs respectively.

Utilities sector and services sector recorded the employment of 14,067 and 8,462 respectively, reinforcing the multi-sectoral impact of BOI enterprises in creating employment opportunities across the country.

Geographical Distribution of BOI Zones



BOI Performance Snapshot 2024

Year at a Glance

Investment Proposals Received

New Proposals - **116**
(Est Inv. US$ 5.08 Bn)

Proposals For Expansions - **55**
(Est Inv. US$ 0.35 Bn)

Approval Granted

New Proposals - **65**
(Est Inv. US$ 1.38 Bn)

Proposals For Expansions - **55**
(Est Inv. US$ 0.38 Bn)

Agreement Signed

New Proposals - **45**
(Est Inv. US$ 0.39 Bn)

Proposals For Expansions - **45**
(Est Inv. US$ 0.35 Bn)

Realized Total Investment

Realized FDI - **US$ 614 Mn**

Realized Local Investment - **US$ 570 Mn**

Exports of BOI Enterprises

Merchandise Exports - **US$ 7.6 Bn**

Service Exports - **US$ 0.8 Bn**

Employment of BOI Enterprises

Total Direct Employment - *** 487,840**

Employment of Zonal Enterprises - **134,828**

* Including Zonal Employment

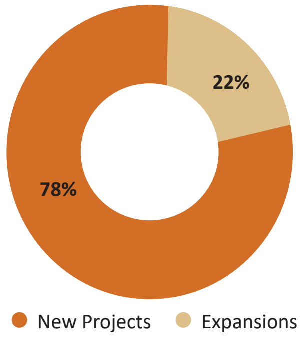
Approved Projects 2024

120
Number of Projects
(65 New and 55 Expansions)

US$ 1.76 Bn
Total Approved Investments

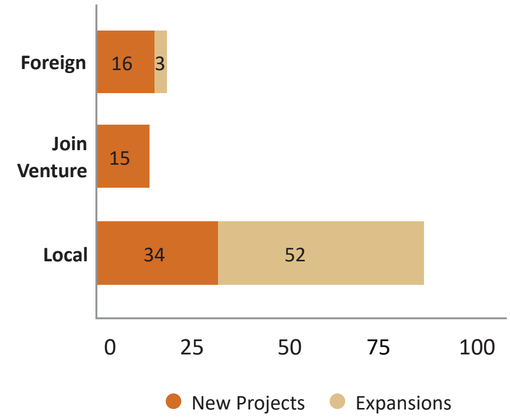
20,535
Estimated Job Opportunities

Investment

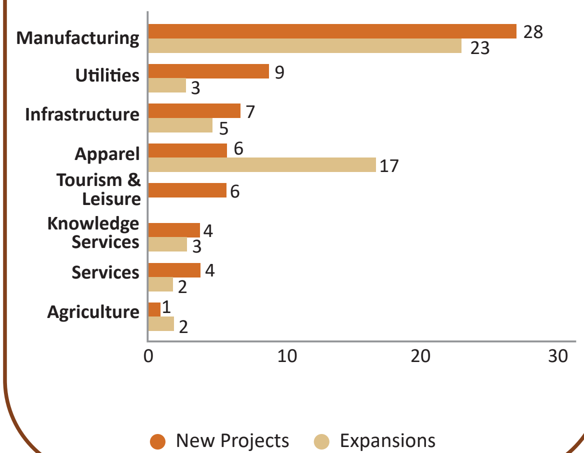


Total Est. Investment	**: US$ 1,760 Mn**
New Projects	**: US$ 1,376 Mn (78%)**
Expansions	**: US$ 384 Mn (22%)**

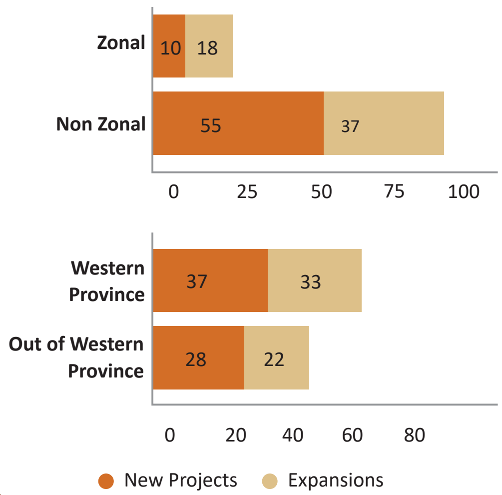
Ownership



Sector



Geographical Location



Global FDI Trends 2024 - 2025

Global Foreign Direct Investment (FDI) reached US$ 1.5 Tn in 2024, marking a 4% increase from FDI of US$ 1.45 Tn reported in 2023. However, there is an overall 11% drop in FDI, when financial flows through European conduit economies are excluded. This marks the second consecutive year of double-digit contraction in real investment flows, highlighting growing investor caution and structural shifts in global capital allocation.

Greenfield project announcements, primarily in industrial sectors, saw a moderate decline of combined value of FDI recorded at US$ 1.3 Tn, but the number of projects announced increased by 3% to over 19,000 projects – the third highest ever recorded. This reflects the reduced average project sizes and cautious capital commitments. Investment activity was strongest in supply chain–intensive manufacturing industries such as semiconductors and electric vehicle components, driven by policy incentives, reshoring efforts and strategic diversification of production locations. Meanwhile, the digital economy remained the standout sector: project values in digital industries more than doubled, boosted by heavy investment in data centres, digital platforms, and AI-related infrastructure. In contrast, greenfield investment in extractive industries, traditional energy and transport infrastructure declined sharply as financing conditions tightened and energy prices fluctuated.

Cross-border mergers and acquisitions (M&As), which are more significant in developed economies, recovered modestly in 2024. M&As activity showed a rise in both value and number of deals, recording a 14% rise in terms of FDI value amounting to US$ 443 Bn from 7,352 deals. Most new deals focused on the ICT, finance and professional services sectors. Strategic supply chain–related acquisitions in electronics, machinery and basic metals also picked up, but overall, cross-border deal-making continues to face headwinds from heightened regulatory scrutiny, rising protectionism and growing policy risks. Notably, multinational enterprises are increasingly favouring domestic or near-market acquisitions to hedge geopolitical risks and navigate new trade barriers. Private equity activity showed signs of recovery too, especially in technology, but global M&A prospects remain fragile.

Investment aligned with the Sustainable Development Goals (SDGs) is falling behind critically. Investments in renewable energy, infrastructure, water, and agrifood systems dropped 25–35% in developing countries. Only the health sector saw growth, while International Project Financing (IPF), crucial for infrastructure in developing countries, fell by over 40% since 2021. Tight financing conditions, rising borrowing costs, and investor risk aversion hit large-scale projects hard, especially in least developed countries (LDCs).

Regionally, the global picture masks striking differences. Developed economies saw FDI inflows contract by 22% overall, with Europe experiencing a dramatic 58% decline due to falling investment and distorted conduit flows. By contrast, North America bucked the trend, with FDI inflows rising by 23%, driven by large-scale investment in high-tech manufacturing and clean energy, especially in the United States.

In the developing world, FDI held steady at US$ 867 Bn, still accounting for 57% of global inflows despite tighter global financing conditions.

Africa stood out with record inflows, up 75% though this was largely due to a single megaproject in Egypt worth US$ 35 Bn. Excluding this, the region's greenfield activity remained subdued, with a 5% drop in announced project numbers and limited new large-scale project finance deals due to tighter global financing conditions. The fall in IPF value, down 20%, hit infrastructure investment particularly hard, limiting broader development gains.

Developing Asia remained the largest recipient of FDI at US$ 605 Bn, but the inflows saw a slight decrease by 3% overall. ASEAN maintained solid growth at 10%, benefitting from manufacturing shifts and supply chain diversification from China, while East Asia recorded a marked decline. India maintained high momentum, with the number of greenfield manufacturing projects increasing by 5%, contributing to its steady total FDI inflows of about US$ 28 Bn. China's inflows fell sharply by 29%, down to US$ 116 Bn, amid investor uncertainty and weaker greenfield sentiment despite some continued high-value digital and tech-related projects.

Latin America and the Caribbean also faced a 12% decline in FDI to US$ 164 Bn, due to tightened external financing conditions, weak investor confidence and macroeconomic volatility. While Argentina attracted the largest single greenfield investment in the region — a US$ 30 Bn LNG plant — the overall value of announced greenfield projects fell by 5%, and project finance activity contracted by more than 20%.

Among vulnerable economies, least developed countries (LDCs) and small island developing states (SIDS) recorded moderate growth in inflows, but new greenfield and large-scale infrastructure project announcements remained weak, limiting prospects for transformative development gains.

In 2024, sectoral investment trends reflected the wider reordering of global priorities, risks, and opportunities. The digital economy stood out as the clear growth engine: project values in digital sectors more than doubled, driven by booming demand for data centres, cloud computing, AI infrastructure, and cybersecurity services. Technology firms now account for over 20% of revenues among the world's top 100 multinational enterprises, underscoring the sector's rising weight in global FDI. Semiconductors were especially prominent — the value of announced projects surged by 140%, fuelled by major new plants in the United States and parts of Asia, reflecting industrial policies designed to secure critical supply chains.

In contrast, traditional infrastructure and energy investment faced strong headwinds. Project finance for large-scale infrastructure fell by over 26%, the sharpest drop among FDI components, as tight financing conditions and investor risk aversion dampened new projects — particularly in developing countries that rely heavily on international finance. Renewable energy, once the star of greenfield announcements, saw project values fall by 28% and project finance deals shrink by 23%, highlighting the growing gap between climate investment needs and actual flows. Transport infrastructure also contracted sharply, with project values down 67% as subdued trade growth and constrained public budgets reduced new commitments.

Global value chain (GVC) intensive manufacturing industries such as electronics, machinery, automotive, and textiles remained relatively resilient. Overall, greenfield project values for these industries held steady, showing continued momentum as multinationals restructured production to diversify risks. Semiconductor investments dominated this segment, while automotive FDI was driven by the ongoing shift to electric vehicles, battery plants, and new assembly lines, particularly in North America and parts of Asia.

Looking ahead, the outlook for global FDI in 2025 is increasingly pessimistic. Rising trade tensions, new tariff barriers, ongoing geopolitical rifts and tightening financial conditions have dampened investor confidence further. Early data for 2025 show record lows in new deal activity and project announcements, underlining the risk of prolonged stagnation. While expected interest rate cuts could ease borrowing costs and support recovery in capital-intensive sectors, uncertainty remains high. The digital economy continues to be the only reliable growth engine, but its expansion is highly uneven, with many structurally weak economies still struggling to attract meaningful digital investment.

At large, the world's investment landscape is fragmenting. The sharp divergence between declining traditional FDI flows and robust digital sector growth signals a shift in global investment priorities — but also a widening gap between economies that can attract new capital and those that cannot. Without stronger, coordinated policy action to restore investor confidence, address financing constraints and channel capital towards infrastructure and the Sustainable Development Goals, the risk is that global investment will remain subdued, uneven and increasingly fragmented — undermining progress towards more inclusive and sustainable development.

Promoting Sri Lanka as an Attractive and Prime Investment Destination

Promotional Engagements

04	Webinars
06	Facilitation Programmes
40	Virtual & Physical Meetings
19	Inward Delegations
01	Outreach Missions
14	Events & Business Forums
360	IFC Inquiries Attended

Media Engagements

LinkedIn	Twitter	Facebook
33,000+ followers	3,200+ followers	2400+ followers

Total Social Media followers as of December 31, 2024 - 38,600+

FOLLOW

New followers in 2024 - 9,100+

- **Press Releases**	**252**
- **Production completed for Social Media Platforms**	**22**
- **45th Anniversary supplement issued with ANCL Group**	**01**

What we post

- Agreement signing
- Sectoral performance of BOI enterprises in relation to exports
- Zone and factory visits and respective functions
- BOI participation at events, forums, and functions
- Opening ceremonies of BOI-approved factories
- Development projects approved by UDA
- Visits of prominent personalities to BOI including Ambassadors
- Important meetings with stakeholders

Board of Investment of Sri Lanka
Apex agency of the Government of Sri Lanka for promoting Foreign Direct Investment.
User name - Investin_SL

Highlights

- **Post two tweets per day**
- **Embed a Twitter timeline at the bottom of the BOI website**
- **Hashtag named #InvestinSL**
- **Tweeting content comprising videos**

Investor Outreach

The BOI's accomplishments reflect its core mission as the country's primary agency dedicated to promoting Sri Lanka as a premier investment destination. By showcasing the nation's unique attributes, highlighting potential investment opportunities, and providing updates on the investment climate, the BOI continues to focus on attracting investments in priority sectors.

In 2024, the Board of Investment (BOI) successfully carried out numerous promotional activities while enhancing its economic diplomacy. This was achieved through active participation in official delegations, bilateral and regional meetings, as well as proactive follow-ups on international affairs. The BOI also facilitated the visits of official foreign delegates, strengthening its relations with key stakeholders. Additionally, the organization engaged in a variety of promotional events, awareness campaigns, and digital initiatives across multiple social media platforms.

Investment Roadshow Hosted by Sri Lankan Diaspora in Canada (March 2024)

The Board of Investment of Sri Lanka participated in the Investment Roadshow hosted by the Sri Lankan Diaspora in Canada in March 2024. The event was organized to engage members of the Sri Lankan community residing in Canada who have demonstrated a strong interest in contributing to the economic development of Sri Lanka through investment. A representative from the BOI attended the event to promote the investment landscape of Sri Lanka and highlight emerging opportunities across key sectors.

The Roadshow served as an important platform to introduce the BOI's facilitation framework, investment incentives, and priority sectors, with a special focus on mixed development, agriculture, and hospitality projects in the country. Through active participation and direct engagement with potential investors, the BOI official was able to communicate the Government's commitment to maintaining a transparent, investor friendly policy environment and to provide structured support to Diaspora investors seeking to initiate projects in Sri Lanka.

During the visit, the Sri Lankan delegates also had the opportunity to tour four factories (Food and Beverages, Construction, Manufacturing) owned and operated by members of the Sri Lankan Diaspora in Canada, gaining valuable insights into their business operations and success stories abroad. In addition, a networking session held on the third day of the programme provided an excellent platform for the BOI representative to engage directly with potential investors.

This initiative featured a significant step toward attracting Foreign Direct Investment (FDI) from the Sri Lankan Diaspora in Canada and North America, leveraging their financial capacity and emotional connection to the country. The momentum generated through the event enhanced investor confidence, stimulated follow-up inquiries, and laid the groundwork for tangible investments contributing to regional development and national economic growth.

Investor Targeting

During the reporting period, BOI Sri Lanka intensified its investment promotion efforts, aligning with the vision foreseen by the government. The majority of the initiatives were designed to enhance the inflow of new investments whilst also ensuring that the status core is sustained sufficiently to promote long-term growth. Greater efforts were implemented with a key focus on measures that would maintain and progressively enhance investment inflows, reinforcing Sri Lanka's position as a competitive investment destination.

Showcasing Sri Lanka - Completed Investment Promotion Materials

- Coffee Table Book
- BOI Corporate Video
- Ready to Invest

Key Invesment Related Engagements

National Events

Indian Ocean Rim Association (IORA) Business Conclave (May 2024)

The Board of Investment (BOI) of Sri Lanka participated as a strategic partner in the Indian Ocean Rim Association (IORA) Business Conclave 2024, held at the Shangri-La Hotel in Colombo. Organized by the Ceylon Chamber of Commerce in collaboration with the Ministry of Foreign Affairs, the event convened over 80 participants from IORA member states and dialogue partners, marking the highest attendance at an IORA Business Conclave to date.

His Excellency the President Ranil Wickremesinghe inaugurated the conclave, emphasizing Sri Lanka's commitment to promoting sustainable economic growth and regional cooperation. Hon. Ali Sabry, Minister of Foreign Affairs and Chair of IORA, delivered the keynote address, highlighting the importance of the Blue Economy and regional connectivity through infrastructure development.

Investment promotion officials from the BOI, representing key sectors and target markets, played a pivotal role during the networking sessions following the panel discussions. Engaging directly with potential investors, these officials provided detailed insights into Sri Lanka's investment landscape, sector-specific opportunities, and thefacilitation mechanisms available for foreign investors. Their active participation was critical in building confidence among investors, addressing inquiries in real-time, and fostering meaningful business connections, which are expected to translate into tangible investment initiatives in the region.

The BOI's involvement highlighted its role in promoting Sri Lanka as a strategic investment destination within the Indian Ocean region and reinforced the importance of proactive engagement by investment promotion officials in cultivating investor interest and facilitating high-impact economic collaborations.

DigiEcon Global Investment Summit at Cinnamon Grand Colombo (June 2024)

The Board of Investment of Sri Lanka participated in DigiEcon Global Investment Summit 2024, held at the Cinnamon Grand Hotel, Colombo, inaugurated under the patronage of His Excellency the President Ranil Wickremesinghe. The event, themed "Harnessing Sri Lanka's Untapped Potential", aimed to position Sri Lanka as a premier destination for digital and technology-driven investments.

Hon. Dilum Amunugama, the State Minister of Investment Promotion, served as the Chief Guest and participated in a panel discussion focusing on attracting investments aligned with Sri Lanka's Digital Strategy 2030. His engagement

underscored the Government's commitment to fostering a conducive environment for foreign direct investment (FDI) in a digital economy.

Following the panel discussions, a networking session was conducted, during which BOI officials representing various country desks engaged directly with international investors, venture capitalists, and entrepreneurs. This session provided a platform for detailed discussions on investment opportunities, incentives, and facilitation mechanisms across key sectors, including fintech, artificial intelligence, cybersecurity, and sustainable development. The BOI's active participation in these interactions was instrumental in showcasing Sri Lanka's investment potential and building relationships with global stakeholders.

The summit, attended by over 350 participants, successfully facilitated investor engagement and knowledge exchange, paving the way for strategic collaborations. The momentum generated through the event is expected to catalyze investments, further supporting Sri Lanka's vision of establishing a robust and sustainable digital economy by 2030.

Human Capital Summit (July 2024)

The Sri Lanka Human Capital Summit 2024, was held on July 18 at Temple Trees in Colombo, on the theme “Unlocking Sri Lanka’s Economic Potential by Building a Future-Ready Global Talent Pool,”. Organized by joint collaboration of the Board of Investment (BOI) of Sri Lanka, the Colombo Port City Economic Commission, and the Employers’ Federation, the summit focused on strategies to develop a skilled and adaptable workforce.

Dinesh Weerakkody, Chairman of the BOI, Colombo Port City Economic Commission, and Employers’ Federation, emphasized the urgency of the initiative, stating that Sri Lanka is required to embark on a transformative journey that hinges on human capital, to propel the nation from a lower-middle to an upper-middle income level. The event brought together key stakeholders; government officials, business leaders, educators, and industry experts to explore strategies for workforce development as well as to overcome the country's pressing talent drain issue. With Sri Lanka’s economic growth at risk due to skilled workforce migration, the summit served as a crucial platform for discussions on building a globally competitive talent pool.

The summit featured keynote addresses and panel discussions spanning key sectors, including IT, tourism, financial services, startups, and public sector capacity. President Ranil Wickremesinghe and Prime Minister Dinesh Gunawardena attended the inauguration, highlighting the government’s commitment—alongside the BOI’s efforts—to retaining and nurturing local talent for long-term economic growth.

Marine Summit “Voyage Sri Lanka” (November 2024)

The Board of Investment of Sri Lanka participated in the inaugural Marine Summit – Voyage Sri Lanka 2024, which brought together global leaders, policymakers, and investors from the marine, offshore services, and boat- building industries. Addressing the forum, the BOI emphasized Sri Lanka’s strategic geographic location and its potential to serve as a key maritime and logistics hub in the Indian Ocean region.

Mrs Renuka M Weerakone, Director General of BOI stated that over four decades, the BOI has been instrumental in facilitating investment and fostering economic growth through transparent, investor-friendly policies. These include provisions for 100% foreign ownership, repatriation of profits, and comprehensive fiscal incentives. With 15 Export Processing Zones equipped with modern infrastructure, Sri Lanka hosts over 1,200 foreign enterprises, generating more than 500,000 employment opportunities and contributing significantly to national exports. Key investment opportunities were highlighted in port terminal development, boat and shipbuilding, marine repair and maintenance, and logistics services, supported by Commercial Hub Regulations offering duty exemptions to encourage trade and offshore operations.

The BOI continues to enhance the investment environment through digitized approval systems, the Green Channel facility for compliant investors, and a centralized Investor Facilitation Center (IFC) ensuring efficient coordination. These efforts reflect Sri Lanka’s commitment to improving ease of doing business and fostering sustainable industrial development. With a highly skilled workforce and robust infrastructure, Sri Lanka remains a preferred destination and strategic partner for global investors seeking long-term, sustainable, and profitable ventures in the region.

International Forums

World Economic Forum

His Excellency, President Ranil Wickremesinghe participated at the 54th Annual Meeting of The World Economic Forum, at Davos-Klosters from 15th to 17th January 2024. This global event brings together policymakers and top corporate executives from around the world, and capitalizing on President Wickremesinghe's presence in Davos, the Board of Investment partnered with the Swiss-Asian Chamber of Commerce (SACC) to host a business forum where the President provided an update on Sri Lanka's economic recovery, and elaborated on immediate priorities for growth and opportunities for investment. The BOI also arranged a Business Delegation representing diverse sectors of the Sri Lankan economy to complement the presence of His Excellency at the captioned event. This business delegation while being self-funded, also supported the greater part of expenses related to this event.

To further emphasize the Sri Lankan delegation's presence in Davos, the BOI hosted a networking event, also in collaboration with the SACC, themed "Sri Lankan Night". This event was a window into Sri Lanka's taste and culture, and provided a platform for local business delegates to make useful connections with high level counterparts from around the world.

Also representing GoSL: Ruwan Wijewardene, President's Senior Advisor on Climate Change, Samantha Wijesekara, Ambassador/Permanent Rep. to World Trade Organization in Geneva, participated in the event.

Asia Regional Focus Forum at the Annual Investment Meeting in UAE

The Asia Regional Focus Forum was held on May 7, 2024, in Abu Dhabi as part of the Annual Investment Meeting (AIM). Organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the session, titled "Investing in Asia's Sustainable Future: Unlocking Opportunities for FDI in SDG Sectors," aimed to explore strategies for attracting Foreign Direct Investment (FDI) in sustainable development sectors across Asia.

The forum provided a platform for policymakers, investment promotion agencies (IPAs), and investors to discuss the investment landscape, highlighting opportunities in agriculture, health, climate action, and digital transformation. Key discussions focused on positioning Asia as a hub for sustainable investments and technological advancements.

Key outcomes included valuable knowledge exchange on integrating sustainability into investment policies, direct engagement between investment agencies and potential investors, and regional cooperation among countries such as Mongolia, Thailand, the Philippines, Malaysia, and Pakistan. Policy recommendations emphasized the need for targeted incentives in SDG-related sectors.

BOI Sri Lanka Director General Mrs Renuka M Weerakone, representing the Board of Investment of Sri Lanka, contributed insights on attracting FDI in innovative SDG sectors. AIM remains a premier global investment platform, facilitating collaboration and showcasing Asia's role in shaping the future of sustainable development.

Investor Forum on Benefits of Sri Lanka - Thailand Free Trade Agreement, Bangkok, Thailand

The Embassy and Permanent Mission of Sri Lanka in Bangkok, in collaboration with the Thailand Board of Investment, organized an awareness programme on the Sri Lanka–Thailand Free Trade Agreement (SLTFTA) and investment opportunities in Sri Lanka under the theme "Sri Lanka: The Future for Investment." The event was held at the Thailand BOI's One Start One Stop Investment Center (OSOS) with strong participation from government agencies, industry leaders, and investors.

BOI Sri Lanka Director General Renuka Weerakone presented opportunities in priority sectors such as tourism, renewable energy, fisheries, and mixed development, while also showcasing new initiatives including the Investor Facilitation Centre, digitization of services, and the Partnership Finder database to support investors.

Ambassador C. A. Chaminda I. Colonne highlighted Sri Lanka's resilience in addressing recent economic challenges and outlined reforms to revitalize growth. She emphasized that the SLTFTA will strengthen trade and investment ties and deepen Sri Lanka's engagement with ASEAN economies, inviting Thai investors to explore the country's diverse opportunities.

Thailand BOI Deputy Secretary General Narucha Ruchuphan noted that Sri Lanka's strategic location, abundant resources, and policy reforms have made it an attractive emerging market for Thai enterprises. Presentations were also made by officials from Sri Lanka's UDA, CEB, and NAQDA, while Thai companies such as Siam City Cement PCL and Minor International PCL shared success stories.

Over 30 Thai and international investors participated, expressing strong interest in leveraging the benefits of the SLTFTA, further strengthening Sri Lanka's profile as a competitive investment destination.

South Asia Economic Forum, Kathmandu, Nepal

The Fifteenth South Asia Economic Summit (SAES XV), hosted by SAWTEE, was held in Kathmandu, Nepal, from December 11-13, 2024. The event brought together over 600 participants, including more than 70 distinguished panelists from across the region and beyond. Under the theme "Unleashing an Equitable Green Transformation in South Asia," the summit served as a vital forum to explore pathways for achieving sustainable and inclusive economic growth. The three-day conference featured an inaugural session, three plenary sessions, 12 parallel discussions, and a closing session, addressing critical themes such as trade policies, industrial development, and the role of green finance in supporting a low-carbon economic transition.

One of the key highlights of SAES XV was the plenary session titled "Harnessing Investments for an Equitable Green Transformation in South Asia," which featured the participation of the Executive Director of Research & Policy Advocacy from the Board of Investment (BOI) Sri Lanka providing valuable insights into Sri Lanka's priority sectors for green investment, highlighting industries that are already attracting investment, as well as those with significant potential for future development, strategies for identifying high-impact sectors, targeting investors in the green economy, and the market conditions and policy developments that support investment in Sri Lanka. Furthermore, the session explored opportunities for regional collaboration in attracting investments, leveraging synergies among South Asian nations to enhance competitiveness and promote sustainable economic growth.

The discussions and recommendations from SAES XV will play a crucial role in shaping future policies and fostering regional cooperation to address the socio-economic and environmental challenges confronting South Asia.

Participation in International Treaty Negotiations

Sri Lanka Thailand Free Trade Agreement

Sri Lanka Thailand Free Trade Agreement concluded its negotiations in 2023, and following final legal scrubbing, the Governments signed the FTA on 3rd February 2024. The agreement was ratified on 12th July 2024 and provides coverage on Trade in Goods; Trade in Services; Investment; Rules of Origin; Sanitary and Phytosanitary (SPS) measures; Technical Barriers to Trade (TBT); Customs cooperation and trade facilitation; Economic Cooperation; Intellectual Property Rights; and Trade Remedies.

Economic Technical Comprehensive Agreement between Sri Lanka and India (ETCA)

Following the resumption of negotiations in October 2023, the 13th and the 14th rounds of negotiations of ETCA were held in January and July 2024 respectively. BOI participated in negotiations with respect to Trade in Services and Rules of Origin chapters.

Indonesia Sri Lanka Preferential Trade Agreement

Following the signing of the Joint Statement in March 2024 for the initiation of negotiations on the Indonesia-Sri Lanka Preferential Trade Agreement, the 2nd round of negotiations was held in July 2024.

The PTA covers only Trade in Goods and Rules of origin, and initial texts of the chapters have been shared.

Sri Lanka-Australia Trade and Investment Framework Agreement (SLAUSTIFA)

The Sri Lanka–Australia Trade and Investment Framework Arrangement (TIFA) is a bilateral agreement established to strengthen trade and investment ties between the two nations. Initially signed in 2017, the agreement was renewed for a further five years in October 2023. TIFA serves as a platform to facilitate continuous dialogue, foster new business opportunities, and encourage active engagement between the business communities of Sri Lanka and Australia.

As part of this framework, Quarterly Working Group Meetings were held on 5th March 2024, 8th May 2024, and 30th October 2024 to review the progress of SLAUS TIFA for the year. The BOI participated actively in these discussions, which focused on advancing the joint action plan and identifying key areas of cooperation for mutual benefit.

Working with International Partners

UNESCAP Project to Attract FDI into Digital and Health Economy in Sri Lanka

The Board of Investment (BOI) of Sri Lanka, in collaboration with the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), has launched an initiative to attract Foreign Direct Investment (FDI) into Sri Lanka's digital and health economy. This project focuses on three key sectors: Digital Textile Design and Production Companies, Contract Manufacturing of Generic Pharmaceuticals, and Corporate Innovation Labs. The objective is to enhance Sri Lanka's investment landscape by identifying and engaging high-potential investors who can contribute to economic growth and technological advancement.

To achieve this, UNESCAP is providing technical assistance and capacity-building support over a three-year period. A structured Action Plan has been developed, outlining a systematic approach to targeting, attracting, and facilitating investment within these strategic sectors.

The collaboration aims to strengthen Sri Lanka's position as a competitive investment destination in the digital and health sectors by leveraging global best practices, fostering innovation, and creating new economic opportunities.

Advancing Gender Equity in Foreign Direct Investment: BOI Joins UNESCAP Pledge at the Feminist Finance Forum 2024

The pledge between the Board of Investment (BOI) of Sri Lanka and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), in collaboration with the FDI Center, marks a significant step toward advancing gender equity in foreign direct investment (FDI).

The pledge was officially signed during the second edition of the Feminist Finance Forum, hosted by UNESCAP in Bangkok, Thailand, from 7–8 May 2024. This in-person forum brought together a diverse group of women entrepreneurs, investors, financial service providers, policymakers, thought leaders, ecosystem enablers, representatives from civil society and grassroots organizations, and academia. Through plenaries, concurrent sessions, side events, and networking spaces, the event provided a dynamic plaform to discuss and advance gender-inclusive finance and investment strategies.

The launch of the pledge at this forum reinforced the collective global effort to integrate gender equality into investment promotion policies and financial decision making. Rooted in the principles of the United Nations Sustainable Development Goal (SDG) 5—achieving gender equality and empowering all women and girls—the initiative recognizes the crucial role of FDI in fostering inclusive economic growth. By signing this pledge, the BOI joins a global network of Investment Promotion Agencies (IPAs), Economic Development Boards, and Ministries of Investment committed to embedding gender-inclusive policies within investment strategies. The pledge focuses on two primary objectives: maximising the positive impact of FDI on gender equality in host economies and ensuring that investment promotion institutions adopt internal gender-inclusive practices. Acknowledging the slow progress toward achieving SDG 5 by 2030, the pledge underscores the importance of proactive measures in closing gender pay gaps, expanding employment opportunities, and promoting gender best practices in investor companies.

Beyond symbolic commitment, signing the pledge brings tangible benefits to BOI, including enhanced women's economic empowerment, strengthened international partnerships, access to best practices and peer learning, and increased visibility on the global investment landscape. The pledge, which is non-binding, is valid for three years (May 2024 – April 2027) and will be subject to periodic review, revision, and potential extension. By becoming a signatory, the BOI aligns not only with its corporate strategy but also with evolving global trends, as more than half of investment promotion agencies worldwide actively incorporate gender equality measures into their investment promotion and facilitation efforts.

ADB Programme on Economic Zone Development

The Board of Investment of Sri Lanka (BOI), in partnership with the Asian Development Bank (ADB), is implementing a Policy-Based Lending (PBL) programme on planning and management of economic zones in Sri Lanka. The programme is part of ADB's "Strengthening Trade and Investment Programme", aimed at enhancing trade, investment, and private sector participation.

Following initial discussions held in 2024, ADB conducted technical consultations and reviewed global best practices from countries including Vietnam, India, and Malaysia. These informed a Zone Development Strategy, outlining recommendations on vision, governance, regulation, and investment promotion.

The strategy was presented to the Government in March 2025 and endorsed at high-level meetings, with direction to work through key implementing agencies: Board of Investment of Sri Lanka (Economic Zones Management), Ministry of Industries (SMEs), and Sri Lanka Customs (Trade Facilitation). Subsequent consultations with the management of BOI in April 2025 prioritised five key policy actions under Sub-programme 1 (2025–2026):-

- A Conceptual Development Plan (CDP) for Integrated Industrial Zone as a Model Framework for all future zones
- An appraisal framework for project selection
- Policy Documents for PPP Models in Economic Zone Development
- A Land Allotment Policy
- A strategic Marketing Plan to attract investment

The land at the former Kankesanthurai Cement Corporation Premises which is being transferred to BOI is selected as the suitable site for the development of a model conceptual development plan and the work has already been initiated. ADB is also in preparation of Land Allotment Policy and the Marketing Plan Documents in consultation with BOI.

Revising Template for BOI Agreements with UNDP Support

To strengthen investor confidence and improve the ease of doing business in Sri Lanka, the Board of Investment (BOI), in collaboration with the United Nations Development Programme (UNDP), has initiated a comprehensive reform of its legal and regulatory framework. This initiative is a key step in modernizing BOI's investment facilitation processes and aligning institutional practices with international standards.

Under this initiative, BOI commenced a comprehensive review and revision of the existing suite of BOI agreements, with expert consultancy provided by Dr Romesh Weeramantry. The review process prioritizes the development of standardized template agreements, starting with the finalization of General Provisions in the Right to Operate. In parallel, revisions to the Dispute Resolution Clause are currently under review, with particular attention paid to contextualizing the provisions based on the operational realities of BOI's investor framework.

The proposed improvements are expected to increase transparency and legal clarity for investors and their legal advisors, while ultimately contributing to a streamlined and more predictable investment environment. The development of a complete set of template agreements will form the foundation for a future investor-focused manual or guideline, promoting consistency and efficiency across investment transactions.

Additionally, the broader proposal includes the digitalization of the approval process, particularly the issuance of the Letter of Approval as well as the introduction of a state-of-the-art case management system with smart recording functionalities. These digital upgrades will enable faster processing of investor requests and greater accessibility of information.

Capacity-building initiatives have also been identified as a key area of focus, with plans underway to upskill BOI officers on international investment law and dispute resolution mechanisms, including Alternative Dispute Resolution (ADR).

These initiatives, supported by the UNDP, are expected to contribute meaningfully to the Government's investment policy agenda by enhancing legal predictability, reducing procedural delays, and elevating Sri Lanka's attractiveness as a destination for high-quality, sustainable foreign direct investment.

Investor Insights

Mr Audun Ror
President
AmSafe Bridport Sri Lanka

As we reflect on our journey in Sri Lanka, it is an honour to share our story with the Board of Investment (BOI) community.

Headquartered in Bridport, UK, AmSafe Bridport Sri Lanka, is a 100% US-owned subsidiary of TransDigm Group Inc. We have been a proud member of the Board of Investment (BOI) community since 2001.

From our state-of-the-art facility in the Wathupitiwala Export Processing Zone, Nittambuwa, we design and manufacture highly engineered textile solutions for the safety and securement needs of the global aerospace and defense markets. Our core commitment is to protect lives and equipment, while building a business in which we all take pride.

For over two decades, AmSafe Bridport Sri Lanka has specialized in providing innovative products that withstand high dynamic stress loads. Our comprehensive product range includes cargo nets, tie-down straps, fire containment covers and bags, 9G barrier nets, smoke curtains, smoke barriers, and parachutes etc. These products are integral to ensuring the safety of cargo, passengers, and crew in the global airspace. We work with aerospace giants such as Boeing and Airbus, as well as leading airlines.

At AmSafe Bridport, we recognize that our employees are our greatest asset. We foster a people-centric culture that is built on trust and respect, where continuous learning, personal growth, and innovation are encouraged. We provide direct employment to over 500 individuals, with a further 8,000 jobs supported indirectly through our operations. We are committed to providing a positive and collaborative work environment, and we are proud to be recognized by Great Place to Work. Sri Lanka as a leading employer, including being named one of the 10 Best Workplaces Manufacturing & Production Industry Best Place for Women, and Best Place to Work Asia List in consecutive years. We believe that by investing in our employees, we are investing in the future success of our company and the Sri Lankan economy.

Our products are exported to a diverse range of countries worldwide, making a significant contribution to Sri Lanka's export earnings and reinforcing its global market presence. We are dedicated to expanding our export markets and leveraging Sri Lanka's strategic location to efficiently serve our international clients while upholding the highest standards of quality and reliability.

AmSafe Bridport highly values the Board of Investment (BOI) as a long-standing partner in our Sri Lankan operations. The BOI's protocols, regulations, and processes play a crucial role in protecting business interests while consistently mitigating environmental impact. They ensure the protection of both employee and employer interests, fostering a balanced and sustainable operational environment. When businesses require assistance, the BOI is very responsive and supportive, and even goes the extra mile. Their friendly and approachable nature ensures seamless communication when addressing our requests.

Taking advantage of the evolving global dynamics and with the assistance of the BOI we have been able to attract new investment to Sri Lanka such as Shield Restraint Systems (Pvt) Ltd, which is one of our sister companies. This is a USD 10 Mn investment that will generate 500 employment opportunities.

We remain committed to our mission of contributing to Sri Lanka's economic prosperity and attracting further strategic investments to the nation, and we recognize the BOI as a crucial collaborator in achieving these goals.

Mr Giorgio Montresor
Founder and CEO
Benji Ltd

Oniverse Group (formerly Calzedonia) took its first step in Sri Lanka in 1998. It was looking for a reliable country with good services and competitive labor costs. Thanks to the suggestion of an Italian entrepreneur who had already successfully established himself in Sri Lanka, the President Dott. Sandro Veronesi decided to start building the first production site by founding the company Omega Line Ltd. This year Omega Line celebrated 25 years of activity, almost all under the enlightened guidance of Mr. Vincenzo Joppolo.

Due to the excellent production results, in the following years three other companies were founded: Sirio Ltd (2002), Alpha Apparel Ltd (2006) and Benji Ltd (2008). In 2013, given the need to increase production capacity, it was decided to build a new production site in the Vavuniya area, also with the aim of helping the economic recovery in the northern territories after the difficult period of the civil war.

For Oniverse Group, Sri Lanka is now the largest production hub in the world, with 4 legal entities governing 7 production plants with over 15,000 employees. In addition, an agreement was signed with the BOI at the end of 2024 for an additional 24,000 m² production site, within the legal perimeter of Benji Ltd. The new plant will be dedicated to the production of bra cups with the aim of covering the growing needs of our local factories. The new venture will add at least 1,000 jobs when fully operational.

Oniverse's production in Sri Lanka is mainly dedicated to corsetry and leisure wear. All products are exported through our logistics hubs and sold through our sales network of over 5,700 single-brand stores in 59 countries worldwide.

In recent years, despite the heavy contextual difficulties (Easter bombings, COVID 19, bankruptcy and subsequent riots), the group has decided to invest heavily in renewal in Sri Lanka: physical renovation of the plants to further improve the already excellent working environment, development of new technological solutions (also in collaboration with small but lively local engineering companies), achievement of the highest standards in terms of "business continuity" both for fire and IT structure protection.

The question that arises spontaneously is where all this confidence comes from. From our point of view, we appreciate first of all the consistent resilience of the institutions and of the social environment, to the negative events that hit the country. We had the clear perception that for the Government and for the institutions connected to it (such as the BOI) the priority was to protect and support industry: support that allowed us to be a certainty for production in the sea of uncertainties that reigned at that time in the world.

The other fundamental factor is represented by the quality of the people. In these 25 years we have grown with us brilliant and reliable managers, an intermediate structure with excellent technical qualities and a large crowd of operators who demonstrate their dedication daily, their ability to work accurately, and quickly improving their operational capabilities starting from the training period following their recruitment.

At the moment, as far as we are concerned, we consider Sri Lanka the most promising country in which to invest in production increases.

Mr Yoshikazu Mito
Managing Director / Factory Director
YKK LANKA (PVT) LTD

YKK Lanka (Pvt) Ltd, is a subsidiary of YKK Corporation Japan global accessory supplier to apparel industry. YKK Group has established its brand name in the global market for its unique quality which is a well renowned Brand in the Market. YKK Group has operations in catering for the apparel industry in over 70 countries worldwide. We at YKK Sri Lanka have Sales and manufacturing Fastening Products for Sri Lanka Sewing business Customers.

Our company was established in 1999 and we have been in business over 25 years catering to almost all garment makers by way of Direct & Indirect supplier of quality fastening products. Sri Lankans with a high literacy rate over 95% and with a broader spectrum of knowledge sharing and very capable of absorbing technical know-how of the Zipper manufacturing process.

The Global Buyer seeks China plus one country. Sri Lanka sewing business history is over 60 years. In that perspective, the future sewing business market in Sri Lanka expect to grow into great heights and we YKK will be delighted to be an important supplier to the growing industry.

BOI has always been a supporting pillar under one stop to cater to the majority of our infrastructure requirements needed in competitive market conditions. Especially as a factory located in Seethawaka Export Processing Zone. Their valuable insights along with a supportive attitude towards our Import & Export Process had been remarkable.

Awards of Excellence

BOI Investment Awards Ceremony 2024

Board of Investment Award Winners

The inaugural BOI Investment Awards Ceremony, coinciding with the BOI's 45th anniversary, honoured 30 companies for outstanding contributions to foreign direct investment, export performance, and long-standing active participation. The 30 companies under the four categories (Most Significant FDI Contributors, Longstanding BOI Enterprises, Outstanding Exporters: Merchandise, Outstanding Exporters: Services) were selected through a rigorous evaluation process.

A new award category was introduced to recognise individual contributions to the economy, with accolades presented to Brandix Group CEO Ashraf Omar, MAS Holdings Co-Founder and Chairman Deshamanya Mahesh Amalean, and Sail Lanka Yacht Group Chairman Pierre Pringiers.

Sail Lanka Yacht Group Chairman Pierre Pringiers received special accolades for their contributions to the Sri Lankan economy.

Chairman and Founder, Mahesh Amalean received the 'Outstanding Individual Contributors' award for his visionary leadership and dedication to our nation's progress.

Furthermore, MAS was recognized with the 'Outstanding Exporter – Merchandise' award, alongside a special acknowledgment. We are honoured to be part of driving apparel innovations and exports, whilst contributing to the economic growth of Sri Lanka.

At the BOI Awards ceremony, Brandix Group Managing Director Hasitha Premaratne and Group Chief Executive Ashroff Omar received awards from President Ranil Wickremesinghe for the Outstanding Individual Contribution towards growing Sri Lanka's export sector.

Notable Highlights of the Year

BOI Empowers Future Industry Professionals with Training for Sustainable, Low-Carbon Industrial Development

The Board of Investment of Sri Lanka (BOI) is driving the transformation of existing and future industries into environmentally friendly, low-carbon industrial zones. As part of its commitment to the Paris Agreement and Nationally Determined Contributions (NDCs), the BOI is guiding industries in reducing carbon emissions, adopting eco-friendly machinery, and upgrading factories to align with sustainable practices.

To further this initiative, the BOI's Environment Management Department, in collaboration with the University of Sri Jayewardenepura, has introduced internship training for students of the Faculty of Technology. This program equips emerging professionals with theoretical and practical knowledge in environmental management, ensuring their contributions to sustainable industrial development. Under the supervision of BOI and university experts, interns conducted research on critical environmental aspects such as industrial boiler fuel assessment, sustainable industrial zone rating systems, water footprint optimization, and carbon footprint reduction in manufacturing.

On November 1, 2024, these research findings were presented at the BOI Auditorium, with Director General Ms Renuka M Weerakoone emphasizing the importance of integrating academic research into industrial sustainability efforts. This initiative is expected to enhance the BOI's commitment to green industry transformation while fostering a new generation of professionals equipped to drive sustainable economic growth.

BOI's Digital Transformation Initiatives in 2024

In 2024, the Board of Investment (BOI) implemented several strategic digital transformation initiatives aimed at enhancing operational efficiency, service transparency, and overall investor experience. One of the most significant advancements was the deployment of the Export Verification Management System, which integrates QR code-embedded digital gate passes to streamline the export verification process. This system ensures faster processing, minimizes manual interventions, and enhances security.

Furthermore, the BOI introduced an online platform for issuing Environmental Protection Licenses (EPL) to BOI enterprises, which is currently in its testing phase. This digital system is designed to simplify and expedite the licensing process, reducing administrative bottlenecks and facilitating compliance with environmental regulations.

To strengthen inventory management, the BOI launched a Mobile Application that enables real-time tracking and automatic updating of physical stock verification data using QR code technology. This innovation is particularly beneficial during the year-end board of survey, improving accuracy and reducing manual workload.

Additionally, the BOI implemented an online automated system for approving sample export processes, allowing enterprises to receive digitalized approval letters promptly. This initiative significantly enhances the efficiency of export-related operations, reducing processing times and ensuring seamless approvals.

Collectively, these digital transformation initiatives reinforce the BOI's commitment to fostering a transparent, efficient, and investor-friendly business environment. By reducing paperwork, optimizing workflow processes, and leveraging cutting-edge technology, the BOI continues to enhance its service delivery, ultimately driving economic growth and investment facilitation.

BOI’s Central Verification Terminal (CVT) Embarks on Digital Transformation to Enhance Investor Facilitation and Trade Efficiency

The Central Verification Terminal (CVT) of the Board of Investment of Sri Lanka (BOI), based in Orugodawatte, has embarked on a significant digitization initiative to streamline and modernize its operational processes. Effective from January 10, the division has begun automating key functions, including the issuance of gate passes, to enhance efficiency, reduce human intervention, and eliminate paper-based processes. This initiative aligns with BOI’s commitment to enhancing transparency, operational efficiency, and investor convenience through digital transformation.

The newly introduced system includes automated collection of import and export document fees, automated verification fee processing, and the implementation of an Export Verification Management System. A key feature is the digital gate pass system, which integrates QR codes, enabling seamless entry and exit for BOI enterprises. Additionally, the initiative introduces electronic payment facilities and a 24/7 service, ensuring round-the-clock accessibility and convenience. The reduction of manual labour, increased cost savings, and improved security measures are among the anticipated benefits of this transformation.

The CVT, established in 1993, was created to facilitate import and export clearance for industries operating outside BOI investment zones in collaboration with Sri Lanka Customs. With a large number of BOI enterprise representatives utilizing its services daily, the transition from manual to digital processes will significantly streamline operations, replacing traditional paper-based approvals with a fully digital system using digital identification.

This digitization initiative is expected to serve as a catalyst for attracting more Foreign Direct Investment (FDI), particularly in the digital sector, positioning Sri Lanka as a competitive and investor-friendly destination in the global market.

BOI’s Environmental Sustainability Initiatives: Advancing Accreditation, ISO Certification, and Climate Action in Industrial Zones”

The Environmental Monitoring Laboratory of Katunayake Export Processing Zone (KEPZ) has initiated the pathway of upgrading the existing laboratory as an Accredited Laboratory, in consultation with the Industrial Technology Institute (ITI), which will be the first accredited Environmental Monitoring Laboratory established under BOI.

Kandy Industrial Park (KIP) has already completed more than 80% of its pathway to qualifying for the ISO 14001:2015 standardization (Environmental Management Systems) in 2024. Under the process, the zone has successfully completed the first stage audit conducted by the Sri Lanka Standardization Institute (SLSI) recently.

Aligning with the Industry Sector Nationally determined contributions (NDCs) under the Paris Agreement of Climate change, Wathupitiwala EPZ, Katunayake EPZ, and Kandy IP have initiated activities and actions to be on par with combating climate change in collaboration with the industries with the respective zones. Eg: Carbon sequestration enhancing projects through tree planting, conducting energy audits, enhancing the capacity of industries for low carbon technologies etc via workshops.

Improved Facilities of BOI Zones

Throughout 2024, significant progress was achieved in the development and enhancement of key infrastructure across BOI zones. Major advancements were made in the construction and upgrading of wastewater treatment plants, water treatment facilities, water distribution networks, wastewater collection and disposal systems, internal access roads, stormwater drains and culverts, sea outfalls, perimeter fencing, and administrative buildings. To support these infrastructure projects, a total budget of Rs. 1,498 million was allocated for 2024, with additional funding planned for 2025 to further advance these developments.

Substantial progress was also made in the development of new industrial zones, particularly in the Eravur Textile Manufacturing Zone, the Bingiriya Export Processing Zone, and the Arabokka Heavy Industrial Zone. These projects are pivotal in expanding industrial capacity and fostering economic growth.

A notable achievement in 2024 was the augmentation of the Wastewater Treatment Plant at the Horana Export Processing Zone (HEPZ), with a contract valued at Rs. 760 million. Additionally, the procurement process for the construction of a 2,000 m^3/day water treatment plant at the same zone is currently underway, further strengthening the water management infrastructure.

In another key development, the contract for the construction of a sea outfall at the Koggala Export Processing Zone (KgEPZ) was successfully awarded, with a contract sum of Rs. 90.56 million. These infrastructure enhancements are instrumental in improving operational efficiency, environmental sustainability, and the overall competitiveness of export processing zones.

Furthermore, the Technical Services Department played a crucial role in facilitating industrial expansion by allocating vacant land for new projects and the expansion of existing enterprises. In 2024, a total of 538 acres were allocated across both new and existing zones, supporting the continued growth and diversification of the BOI's industrial footprint.

These infrastructure initiatives reflect the BOI's commitment to creating a modern, sustainable, and investor-friendly industrial environment, ensuring that BOI zones remain at the forefront of industrial development and economic progress.

Employee Growth & Engagement

The Human Resource Department (HR) at the Board of Investment of Sri Lanka plays a pivotal role in looking after its greatest asset-our employees. From attracting and retaining the best talent to providing them with the best opportunities to learn and grow, the HR department constantly strives to find ways to better support the employees.

It also plays a vital role in fostering a positive and productive workplace culture while aligning talent management with the organization's strategic objectives. Throughout the year, HR has focused on attracting, developing, and retaining top talent, ensuring compliance with labor laws, and promoting employee well-being.

The nation's economic crisis has made fulfilling our national responsibility more difficult. Nevertheless, our HR team is dedicated to supporting employees and helping them thrive amidst these challenging economic and social conditions. We are exploring how HR can further empower our organizational culture and better support our employees and the business. This includes focusing on technology adaptation, creating agile work environments, and building employee capabilities, all with the goal of helping our people reach their full potential.

By prioritizing talent acquisition, professional development, and a supportive work environment, HR continues to drive organizational success and maintain a culture that values innovation, collaboration, and excellence.

Our People

Our people are our greatest asset and are of great importance in the BOI's journey of driving the nation towards economic and social development. In order to fulfill this national responsibility our people are constantly provided with the required support both in professional and personal spheres.

Since its founding in 1978, the Board of Investment (BOI), a highly regarded government institution, has employed individuals from diverse backgrounds. This diversity of talent and perspectives strengthens the BOI and enables it to effectively advance the country on the international stage. Our systems and processes create a safe work environment that offers equal opportunities to our diverse workforce.

Our Approach to Managing People

We prioritize our employees, focusing on attracting, retaining, and motivating talent through development opportunities. This has resulted in a motivated and satisfied workforce, enabling us to effectively fulfill our national responsibilities by generating organizational value. Our centrally managed HR functions, encompassing recruitment, leave and attendance, development, performance management, compensation and benefits, and disciplinary procedures, support our employees' professional and personal growth. We are committed to fair, ethical, and inclusive practices.

As a public service organization and the leading FDI attraction and facilitation institution, the BOI adheres to government rules, regulations, and policies, prioritizing our national responsibility in all actions. Our HR practices are aligned with government policies to maintain credibility and consistency.

Our recruitment process emphasizes finding the right people at the right time through transparent procedures. We are dedicated to expanding employee learning and development. Leave and attendance are managed digitally, while our compensation, benefits, and welfare programs recognize and reward employee commitment and excellence.

These supportive systems foster responsible employee conduct. Our disciplinary function addresses and resolves employee misconduct promptly to minimize workplace disruptions.

Composition of Our People

The BOI team in its entirety consists of 365 number of people attached to the Head Office in Colombo and 691 number of people in various other locations around the country. There are three employee categories in our cadre, 47% of our team includes executive level employees located in the Head Office as well as in Export Processing Zones and Parks. The balance 53% of our team includes non-executive grade employees comprising of Management Assistants and Primary Level Staff.

At BOI, we embrace diversity and uniqueness of each individual and believe it's one of our greatest strengths. We provide opportunities to male and female alike to progress through their career within the Board. Male and female representation is visible throughout all employee cadres.

Our team comprises employees with different educational and professional backgrounds. 495 of 1056 employees represent Executive categories of which 269 are graduates out of which 215 are Masters' Degree holders and 57 are membership holders of professional bodies.

The Board continues to benefit immensely from the diversity of the educational backgrounds of our employees with them coming from different disciplines such as Business Administration, Science, Economics, Engineering, Public Management, Accounting, Social Science, Law, and Customs Administration.

Having set a conducive environment for learning and professional development, we believe continuous development of our employees is paramount to the organizational success particularly in the challenging operating conditions. Hence, the BOI has introduced comprehensive sponsorship policies for studies, promotion policy and a leave policy that reflect the BOI's commitment to support employees to pursue their professional development goals.

Training and Development

At BOI, we provide support to employees for their professional and personal development. As such we have conducted 23 in-house training programmes and over 35 external training programmes for executive, non-executive grades and primary level employees. Around 700 employees in executive grades have been trained through in-house and external training programmes while around 160 employees in non-executive and primary levels have been trained.

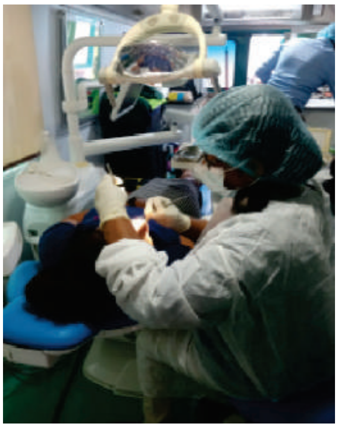
Social Impact

The United Nations Population Fund (UNFPA), in collaboration with the Board of Investment (BOI), the International Labour Organization (ILO), Better Work Sri Lanka, and key corporate stakeholders, has initiated a pilot project to establish an Employees' Wellbeing Centre at the Katunayake Export Processing Zone (KEPZ). This initiative aims to create a replicable model for service delivery, offering an integrated range of services focused on mental health, general wellbeing, sexual and reproductive health, and referrals for gender-based violence support. Several strategic steps have been taken to ensure the center's long-term sustainability, including defining a funding mechanism and assessing its value for productive floor associates.

To oversee the project's progress, a Steering Committee has been appointed. Additionally, UNFPA and the Family Planning Association (FPA) have conducted peer education programs for company management representatives and BOI officers to enhance awareness and engagement. In collaboration with the University of Colombo, UNFPA has carried out a comprehensive study to gather crucial data on sexual and reproductive health knowledge, service availability, usage gaps, and existing barriers. To further raise awareness on key issues such as family planning and mental wellbeing, medical camps and interactive street dramas have been conducted, complementing the broader efforts to establish the Wellbeing Centre. This initiative marks a significant step toward enhancing workplace wellbeing and promoting a holistic approach to employee health and support services at KEPZ.

Measles prevention vaccination programmes were carried out for the employees of the main EPZZ, under the government immunization programme, targeting diseases which cause high mortality and morbidity in the community.

Also, mobile medical camps and mobile dental clinics were carried out to improve the quality of life of the employees within EPZs. This was in addition to the routine medical center programmes and activities, which are being carried out under the patronage given by the MOH Offices located in the respective areas.



In collaboration with the UNFPA, FPA and the Australian Aid, financial support was given to single parent mothers and other employees suffering from prolonged illnesses and diseases in the Koggala EPZ.

Appreciating Employee Talent

BOI enterprises actively recognize and appreciate the diverse talents of their employees. Such acknowledgment fosters motivation, innovation, and a positive work environment, contributing to both organizational success and broader social impact.

Functional Performance of Departments

Investment Promotion

The Investment Promotion Department serves as the primary point of contact for new investors. Its main function is to shape and enhance Sri Lanka's image, positioning it as an attractive and profitable investment destination. This involves a variety of coordinated initiatives aimed at attracting, expanding, and retaining both foreign and domestic investments.

The department's responsibilities include efforts to promote the country's brand and guide potential investors towards available opportunities using the Investment Map. It conducts systematic outreach and targeting activities to attract quality investments, focusing on specific sectors, markets, projects, and investors in alignment with national priorities that support sustainable and inclusive development.

Another key aspect of the department's role is stakeholder management. This involves fostering relationships with missions, ministries, regulatory agencies, and other relevant bodies to ensure smooth investment promotion and facilitation.

Research & Policy Advocacy

The Research and Policy Advocacy (R&PA) Department at the Board of Investment (BOI) plays a crucial role in shaping and advocating for Foreign Direct Investment (FDI) policies, serving as a driving force behind investment-related policy reforms. Its primary responsibility is to conduct in-depth research on investment-related matters and recommend policy improvements to enhance the overall business environment in Sri Lanka. Through continuous assessment of the policy landscape, the department identifies areas for reform in laws, regulations, and procedures, supporting the government in creating a more investor-friendly climate that attracts both foreign and domestic investments.

In fulfilling its mandate, the R&PA Department undertakes business research to develop investment opportunity profiles and conducts sector-specific and country-specific studies to identify priority areas for investment. Additionally, it creates informative promotional materials, devises investment promotion strategies based on Sri Lanka's competitive and comparative advantages, and compiles, analyzes, and disseminates critical investment-related data. The department also identifies barriers to investment and proposes solutions to address them while contributing to trade and investment negotiations. The Department also engages in the analysis of statistical data related to investment trends. The department compiles, evaluates, and disseminates critical investment-related data, providing evidence-based insights that support decision-making both internally within the BOI and externally at the national level.

Leveraging collaboration with other departments, the R&PA Department remains committed to advancing the BOI's objectives by facilitating a progressive investment climate and strengthening Sri Lanka's position as a preferred investment destination.

Investment Appraisal

The Investment Appraisal Department is responsible for facilitating investments and accelerating the approval procedure in the shortest amount of time. The role of the department involves a smooth facilitation process spanning from the initial stage of accepting applications to the continuous existence of projects in Sri Lanka.

The Investment Appraisal Department has been playing a crucial role in determining investment areas which should be prioritized to stimulate. In addition, the inputs of the department are often utilized for formulation of industrial policies which in general aids for the effective functioning of the projects. The Department is functioning under the direct supervision and leadership of the Director General enabling it to ensure strategic guidance is provided effectively to facilitate the projects conveniently.

Functions of Investment Appraisal Department include: Evaluation of investment proposals; Making recommendations for project proposals; Facilitating projects by granting customs duty and other exemptions; Granting approval for the change of scope of the business; Granting approval for expansions in terms of location, product, activity etc.: Resolving and intervening in operational issues: Preparation of FDI Forecast; Recommendation of visa for expatriates; Participating in various investor forums; Participating in policy making committees; Preparation of Cabinet Memorandums; Communicating and co-ordinating with all Line Agencies and Line Ministries. Attending and responding to inquiry made by various State Agencies and updating the MIS with project details.

Investor Services

The Investor Services Department facilitates the aftercare service to investors registered under Section 17 of the BOI Law in the field of import and export. To provide the above services, the department has five Investor Services Centers located at WTC, Colombo, Katunayake, Biyagama, Koggala Export Processing Zones and Kandy Industrial Park along with nine Cargo Verification Centers.

The Investor Services Department is in charge of processing Import/Export CusDecs, verifying import/export cargo, issuing certificates of origin, approval for clearance of goods from bonded warehouses, approval for subcontracts, transfers, local sales & providing raw material and machinery on loan basis and approving of re-import & re-export of items. Moreover, liaising with government organizations with regards to issues faced by BOI enterprises, processing and approving of GRNs for Indirect Exports, processing of web submission for IT / BPO projects, recommendation to the Controller General of Immigration & Emigration for issue of expatriate visas (Only for the zonal enterprises) are other exclusive functions offered by the department.

The past year has been marked by significant advancements in digital transformation, streamlining key operational processes to enhance efficiency and accuracy. Several critical services have been successfully digitized or automated, reducing manual workload and improving turnaround times. From import and export document processing to hybrid approval mechanisms, these enhancements have strengthened compliance, transparency, and service delivery. Below are some of the notable digitalization initiatives implemented during the year.

Services that have been digitized / automated

- Processing Import Documents (Except Construction material)
- Processing Export Documents
- Verification of Import – Collection of verification charges
- Sub contract approval – Partially digitized

Project Monitoring

The Project Monitoring Department plays a pivotal role in evaluating the performance of projects that have commenced commercial operations, ensuring compliance with the conditions outlined in the BOI Agreement. This remains a core and ongoing function of the Department, spanning the entire lifecycle of BOI-approved projects in commercial operation.

The Department monitors companies approved under both Section 16 and Section 17 of the BOI Law by collecting and analyzing periodic data, including Audited Financial Statements, Bi-Annual Performance Statements, and employment statistics related to these projects.

In addition to performance monitoring, the Department is responsible for issuing Tax Certificates to companies eligible for tax holidays, formally terminating Project Agreements that have either reached the end of their lifecycle or failed to comply with the terms of the BOI Agreement. The Department also conducts inspections of projects under Section 16 and Section 17 of the BOI Law to provide performance reports for decision-making by relevant departments. Furthermore, it submits quarterly reports on terminated agreements to Commercial Banks to facilitate the withdrawal of FCBU (Foreign Currency Banking Unit) facilities granted to such companies.

Progress of the year under review

During the year under review, the Department issued 57 Annual Tax Certificates/Concessionary Tax Certificates/ Investment Confirmations to BOI-registered companies that complied with the conditions set out in their respective agreements. The Department submitted semi-annual information to the Department of Fiscal Policy regarding tax exemptions granted to BOI projects. This was a requirement under the IMF - EFF (International Monetary Fund-Extended Fund Facility) program for publication on the Treasury website. Through the reinvestment program, the Project Monitoring Department facilitated investments totaling USD 235.14 million in 2024. This included applications submitted, letters of approval issued, and agreements signed during the year. A total of 1,428 Financial Statements were collected from companies in 2024. Additionally, the Department conducted 152 inspections of company activities, adhering to a structured monitoring plan. Various factors led to the termination of 62 Agreements, including company requests, non-compliance with agreement terms and conditions due to financial difficulties, challenges in marketing, and issues related to land sourcing. Notably, some terminations also resulted from asset takeovers by prospective investors and the amalgamation or merger of companies.

Project Implementation

The primary role of the Project Implementation (PI) Department is "To ensure the successful facilitation of projects in accordance with the implementation programme stipulated in the agreement signed with the Board of Investment of Sri Lanka (BOI)". The department is responsible for monitoring compliance with the approved investment criteria within the agreed timeframe. Its main objective is to facilitate the efficient commencement of commercial operations and ensure that the approved investments are brought in accordance with the agreement.

To guide investors, the PI Department issues basic guidelines outlining the required reports that must be submitted regularly to ensure the project remains viable and feasible. The PI Department coordinates with relevant, Internal departments and investors, and organizes initial investor awareness programmes. The department also identifies issues and bottlenecks related to relevant line agencies that may delay project implementation and carry out site inspections. It works closely with investors to overcome these challenges by determining the actual status of projects and providing necessary support. In order to accelerate the implementation process.

Furthermore, the department is responsible for submitting board papers to obtain approvals for extending project implementation period and submiting cabinet memorandum for Strategic Development Projects (SDP) and collecting related fees, including extension fees, annual fees, and ground rent in advance. It also ensures that changes in project status are accurately updated in the Management Information System (MIS) maintained by the BOI.

In addition, the PI Department identifies the commencement of commercial operations and monitors projects that are either failing in their implementation or have been abandoned. Projects deemed unsuccessful are transferred to the Project Monitoring Department for agreement termination. Through these comprehensive functions, the PI Department plays a vital role in ensuring the timely and effective implementation of projects while fostering a supportive environment for investors.

Progress of the year under review

During the year under review, the Project Implementation (PI) Department organized inauguration meetings with the participation of other departments to familiarize investors with the functions and officers of the BOI, ensuring the smooth operation of projects.

The department identified and updated thirty-seven projects as having commenced commercial operations and subsequently transferred their files to the Monitoring Department. During this period, fifty-two extensions for project implementation periods were granted by the PI Department having obtained the necessary board approvals. The department also provided full support in collecting annual fees, advance annual fees, and extension fees at the time of granting these extensions.

To assess the progress of ongoing projects, seventy-nine site visits were conducted. In addition, ninety-four project status changes were updated in the Management Information System (MIS), while details of seventy two projects including audited financial statements, contact information, approval letters, and extension details were recorded in the system.

The PI Department also identified several underperforming or "sick" projects. Notices of non-compliance with the terms and conditions of the agreements were issued, resulting in the transfer of eight projects to the Project Monitoring Department for agreement termination.

Legal

The main role of the Legal Department is providing investor related services on legal regime which are applicable for investment and facilitating investment agreements for project approval under Section 17 of BOI Law. The department attends to the duties in respect of its role in corporate legal affairs, including organizational litigation against the BOI and initiates legal action on behalf of the BOI in order to protect its legal interest.

The investor facilitation legal services are of an advisory nature, which include: the dissemination of information on the legal regime of Sri Lanka applicable in the establishment of projects under the auspices of Section 17 of the BOI Law; Strategic Development Projects Act and Hub Regulations under the Finance Act; and perusal and approval of the Articles of Association of venture permitted to establish projects in Sri Lanka. Apart from the above, the Legal Department involves in extending its investor related services by providing lands owned by BOI to investors in setting up of their industries.

Technical Services

The Technical Services Department plays a pivotal role by undertaking the implementation of the Capital Budget for infrastructure development within the Export Processing Zones and Industrial Parks managed by the BOI. Its key responsibilities include identifying and planning sites for new investment zones, undertaking initial development works, and ensuring the smooth operation and maintenance of essential services such as water supply, wastewater disposal, and solid waste management. Additionally, the department is responsible for identifying vacant land and facilitating the establishment of new projects, as well as implementing new projects on land acquired by the government from underperforming enterprises. Through these efforts, the department contributes significantly to the sustainable growth and expansion of investment zones, fostering a conducive environment for industrial and economic development.

Engineering Approvals & Special Projects

Engineering Approvals & Special Projects (EA&SP) Department is primarily engaged in two key aspects of investor facilitation:Engineering Approvals and land-related facilitation.

Engineering Approvals section of the department functions as the regulatory arm of the BOI for providing four key services: issuing site approvals, building planning approvals, quantity certification for importing construction related materials on duty free basis, and issuing the Certificate of Conformity (C of C) for projects approved by the BOI under Section 17 of BOI law.

Lands and related facilitation section of the Department is responsible for providing number of services which includes acquiring and alienating of State/Private Lands for the establishment of Investment Zones, facilitating investors to obtain lands to establish investment projects, maintaining database of lands owned by BOI which are located outside BOI Zones, assisting the Legal Department and other departments of BOI in the matters pertaining to lands, and coordinating with relevant Line Agencies & Ministries regarding land-related matters.

Facilitating Development of BOI zones

The establishment of proposed investment zones will be implemented in line with the Government policy decisions and upon the Government directives. Accordingly, obtaining approval of the Cabinet of Ministers for establishment of proposed new zones is another key function handled by the EA&SP Department, subsequent to the acquisition of lands for the zones to proceed.

In addition, coordinating with Line Ministries and stakeholder agencies such as National Water Supply & Drainage Board, Ceylon Electricity Board, Road Development Authority on providing external infrastructure up to the boundaries of zones when establishing new zones, including obtaining approvals, providing progress reports, etc. is currently handled by the EA&SP Department.

Environment Management

The Environment Management Department has issued 1,071 numbers of Environmental Protection Licences (EPLS) to the industries under the purview of BOI in the year of 2024. Meantime, the department has successfully granted 114 number of environmental clearances for establishing new projects and has issued 55 number of clearances for the installation of telecommunication towers all over the country. Further, the department has successfully handled 28 number of complaints related to environmental concerns of industrial issues.

Information Technology

The Information Technology Department has been entrusted to strategize, create, construct, assess, and execute IT solutions for BOI. Additionally, it oversees the procurement, deployment, and upkeep of the organization's ICT resources. This department administers the corporate network to furnish IT infrastructure comprising hardware and software for communication, catering to all IT needs of its users to ensure round-the-clock service delivery.

The Department's primary responsibilities encompass managing the BOI's ICT infrastructure through established, repeatable processes to ensure a stable technological environment for all users. This includes the design, development, implementation, and upkeep of various computer systems, including the BOI's official website, online approval platforms for enterprises, payment systems, Management Information Systems, automation tools, mobile applications, and integrations with external agencies. Additionally, the Department provides comprehensive IT services to the organization, covering email management, internet access, CCTV surveillance, video conferencing capabilities, user support for both internal and external stakeholders, SMS gateways, and resource monitoring. Furthermore, it prioritizes the security of the network, systems, and corporate databases, employing standard security measures such as firewalls, virus software, OTP authentication on, systems user access controls, management of login credentials, and conducting security assessments through SLCERT to safeguard sensitive information.

Media & Publicity

The media and publicity initiatives are driven by functions such as expressing the BOI vision and mission, as well as promoting Sri Lanka as the BOI brand within the larger framework of nation branding. This includes developing communication strategy and media plans that are aligned with marketing promotion efforts, executing tactical measures when needed, and implementing internal communication methods to guarantee consistency. Maintaining strong connections with local and international media, as well as engaging with journalists, is an important element of the department and it’s responsibilities.

These efforts are supplemented by functions such as running targeted campaigns, creating press releases and promotional materials, and organising trade exhibitions, seminars, content management, and press conferences. In addition, the department uses digital platforms and social media to manage crisis communication, as well as monitor market trends and investor opinion to guide communication strategy. The department’s collaboration with government and private sector players, as well as monitoring media coverage and public sentiment, enable a thorough and coordinated strategy to investment promotion.

Zone Management

In 2024, BOI facilitated more than 280 operational companies within the zones. Majority of the zones had over 90% land utilization except for a few zones namely Mirigama EPZ, Mirijjawila EPZ , Bingiriya EPZ and Eraur Textile Zone.

With the objective to maintain a conducive environment to support the operation of the investment projects located within all the zones, BOI continues the renovations and infrastructure developments in existing zones. Accordingly, in 2024 as well, BOI allocated Rs.1298.9 Mn of the capital budget for these zonal infrastructure developments.

Within multiple zones, augmentation of the wastewater treatment plants were carried out in order to improve the capacity of the wastewater treatment provided to zonal companies considering their evolving operational capacity which can lead to an increased demand of wastewater treatment facilities in the future. These augmentations have helped to protect the environment from the industrial pollutant while helping to maintain a cordial relationship among the zonal companies and the people living in the vicinity of the zones.

In 2024, new lab equipment was supplied to the environmental labs located at Katunayake and Biyagama EPZs as a capacity enhancement which ultimately would lead to improved service up to an industry acceptable standard.

To maintain other basic infrastructure facilities to the maximum capacity and quality, BOI carried out renovations and expansions of internal access roads within zones, water treatment plants, power supply networks, solid-waste management facilities, renovations of sea outfalls and drainages , replacement of old water distribution networks to minimize water losses, refurbishment of buildings to facilitate employees & stakeholders etc. Further, to enhance the security and safety within the zones, BOI allocated budget and resources for installation of energy saving street lamp networks, CCTV networks and rehabilitation of perimeter fences.

Bingiriya EPZ, which became an operational zone recently, had further infrastructure developments during 2024. Mainly, internal road developments of Phase I, developments to the power supply and designing of the central wastewater treatment plant were carried out. Further multiple land lots in the vicinity area were acquired by the BOI in order to expand the external access road to the Binigiya zone.

The ‘going green’ project started under the Nationally Determined Contributions (NDC) also continued its efforts during 2024 as well, to convert BOI zones to internationally recognized green zones. Also BOI commenced the Eco Industrial Park (EIP) program to convert all zones to EIP status with modernized infrastructure, energy reduction activities, promoting renewable energy and circular economy principles etc. BOI will gradually move to obtain ISO 14001 status for all zones initiating from Kandy Industrial Park (KIP). In this regard BOI has connected with the EU Green Recovery, Chinese Academy of Science (CAS) and German Chamber of Commerce to obtain technical expertise & modern know-how.

Industrial Relations

The Industrial Relations Department of the Board of Investment (BOI) of Sri Lanka plays a crucial role in fostering labor-management cooperation, industrial peace, and productivity within BOI enterprises, creating a harmonious work environment that supports economic growth. In 2024, the department facilitated 234 Employees’ Councils, offering guidance to strengthen labor relations.

It also provides advisory services on labour laws and industrial relations practices, ensuring compliance through 864 labor audits, followed by necessary remedial actions. The department supports manpower recruitment via Employment Service Units, the Online Job Bank Portal, and recruitment programs, referring 81,523 job seekers and fulfilling 42,459 vacancies in 2024.

Additionally, it mediated four industrial disputes, ensuring industrial harmony with the support of Labour Department officials where necessary. The BOI established five Worker Facilitation Centres in major EPZs and conducted 279 awareness programs on workplace cooperation and health & safety.

To support working parents and reduce labor turnover, Day Care Centres were established within EPZs, benefiting 71 children. These initiatives contribute to a sustainable, employee-friendly, and investment-attractive industrial ecosystem.

Internal Audit

Internal Audit is the independent and objective assurance function to support the organisation in improving its overall internal control framework. It mainly focuses on independent appraisal to review satisfactory compliance with the internal control systems covering all aspects of the BOI functions and objectively examines, evaluates and reported on the adequacy of such internal controls as a contribution to maintaining economy and efficacy of resource allocation and utilisation for accomplishing organisational goals.

Internal Audit worked closely with management to ascertain the internal control environment of the BOI and related risks, and introduced risk mitigation measures to improve governance and control processes of the organisation.

During the year 2024, Internal Audit ensured the compliance with existing rules, regulations, policies, guidelines, and procedures through its routine compliance audits, and optimum utilisation of resources through the performance audits. The investigative audits were aimed at identifying the weaknesses in the organisational processes, investigating anonymous accusations, gathering evidence for cases of fraud and ascertaining the extent of financial consequences of fraud, if any. Complying with the statutory obligations, Internal Audit convened Audit Committee Meetings and also met reporting requirements without fail.

Accordingly, the Internal Audit helped BOI to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Human Resources

The HR Department at the Board of Investment of Sri Lanka plays a pivotal role in looking after its greatest asset- our employees. From attracting and retaining the best talent to providing them with the best opportunities to learn and grow, the HR department constantly strives to find ways on how to better support the employees.

It also plays a vital role in fostering a positive and productive workplace culture while aligning talent management with the organization's strategic objectives. Throughout the year, HR has focused on attracting, developing, and retaining top talent, ensuring compliance with labor laws, and promoting employee well-being. By prioritizing talent acquisition, professional development, and a supportive work environment, HR continues to drive organizational success and maintain a culture that values innovation, collaboration, and excellence.

Administration

The Administration Department plays a vital role in the BOI and provides logistical support for the smooth functioning of departments to achieve the goals and objectives of the organization. Five subunits operating under the Administration Department are Stores & Supplies Unit, Transport Unit, Maintenance Unit, Mail Unit and General Administration.

The key functions performed by the subunits consist of: handling the internal and external mail which expeditse connectivity within and outside the BOI; maintenance of an uninterrupted process for providing office infrastructure facilities at the Head office; attending the repairs and maintenance, general up-keep of the BOI office floors at the Head Office; procurement of insurance coverage for fixed assets, lease in/out office spaces; preparation of documents for the payment of electricity, water, telecommunication, transport and other service providers; procurement and disposal of vehicles, managing the vehicle fleet, providing transport facilities for project monitoring activities, assisting Zones for maintenance of vehicles; procurement of goods and services required to the organization (stationery, office furniture & equipment, support services etc.); and maintaining the general stores of the Head Office.

Security & Fire

The Security and Fire Department of Board of Investment of Sri Lanka bears a fundamental role in safety and security of property and human lives of BOI Zones including enterprises located therein. It facilitates the existing investors of BOI by deploying security and fire staff, strengthening them as and when required.

Services rendered by the department includes; providing all round protection on a 24x7 basis by establishing statistical security points and coordinating with the security officers of the enterprises; coordinating with the Police and other law enforcement authorities if any need arises such as theft, fire, misconduct etc.; responding to fire calls and emergency situations within and outside the zones; conducting fire prevention, inspections and fire risk assessments in the enterprises, providing consultation on security and the installation of fire equipment to the enterprises, conducting training on fire equipment handling and first-aid to the staff & enterprises employees, and issuing Fire Compliance, Training and Evacuation Certificates to the enterprises.

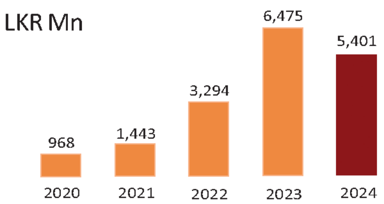
Financial Review 2024

Financial Performance For the Year Ended 31 December	2024 (Rs. Mn)	2023 (Rs. Mn)	Change (%)
Revenue	8,447.87	8,171.42	3
Total Operating Expenses	(4,925.72)	(4,385.76)	12
Operating Profit	3,522.14	3,785.66	(7)
Finance Income	1,881.32	2,693.56	(30)
Finance Expense	(2.06)	(4.56)	(55)
Surplus Before Taxation	5,401.41	6,474.66	(17)
Tax Expenses	(1,582.74)	(2,372.94)	(33)
Surplus After Taxation	3,818.67	4,101.72	(7)
Other Comprehensive Income	(143.15)	(56.78)	152
Total Comprehensive Income	3,675.52	4,044.94	(9)
Financial Position at the year End (Rs. Mn)			
Total Assets	78,171.91	73,911.55	6
Total Equity	71,590.70	70,222.90	2
Total Liability	6,581.21	3,688.64	78

Surplus

The Surplus after Tax of the Board has decreased by 7% to Rs. 3,818.67 Mn in year 2024, compared to Rs. 4,101.72 Mn reported in 2023.

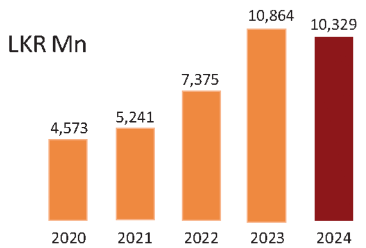
Surplus Growth Before Income Tax



Revenue

The growth in Operating Revenue is Rs. 276.44 Mn reflecting an increase of 3% compared to the previous year. The Operating Revenue for the year under review is Rs. 8,447.87 Mn, whilst the Operating Revenue recorded for the year 2023 was Rs. 8,171.42 Mn Revenue from Ground Rent, Annual Fees, Import & Export Service Charges and Water are the main contributors to the Board's Revenue accounting for 85% of the Total Operating Revenue. The Interest Income earned by the Board has decreased by 30% to Rs.1,881.32 Mn in 2024 from Rs.2,693.56 Mn in year 2023. This is mainly due to the decrease in interest rates in the market.

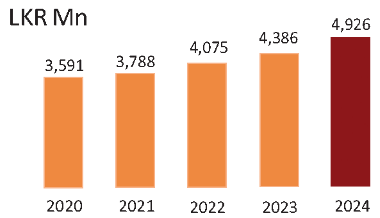
Total Revenue



Operating Expenses

Total Operating Expenses increased by 12% to Rs. 4,925.72 Mn for the year 2024 from Rs. 4,385.76 Mn in 2023. This was mainly due to the increase in Personnel Expenses by 12% in 2024. The Cost to Income Ratio of the Board has increased from 53% in 2023 to 58% in 2024 due to increase in Operating Expenses.

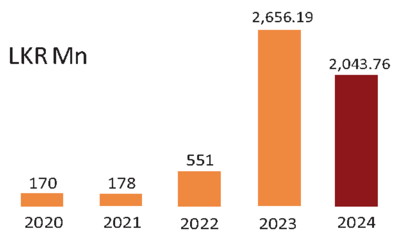
Operating Expenses



Contribution to Taxes

BOI contribution to indirect and direct taxes for the year amounted to Rs. 2,234.16 Mn This is a decrease of 22% compared to the previous year. Disallowed VAT Input which is recognized as an expense has increased by 63% with a growth of Rs.177.78 Mn compared to the previous year. Total Direct Taxes of the Board comprise of Tax on Interest Income and Operating Profit. Corporate Income Tax for the period is Rs.1,582.74 Mn

Taxation



BOARD OF INVESMENT OF SRI LANKA
ANALYSIS OF INCOME STATEMENTS FROM 2015 TO 2024

FINANCIAL YEAR	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	**3,213,557,727**	**3,605,145,347**	**3,711,862,608.00**	**3,889,614,384**	**4,646,091,668.00**	**4,251,299,069**	**4,911,181,363**	**5,973,226,716**	**8,171,423,461**	**8,447,866,253**
Less ; Expenses										
Operating Expenses	276,739,350	265,978,777	265,378,860.00	267,056,012	322,000,510	273,552,379	286,687,112	327,676,479	420,429,287	478,164,853
Administrative Expenses	2,488,716,775	2,639,675,029	2,724,737,397.00	2,846,961,666	3,165,507,063	3,192,487,029	3,344,826,022	3,536,143,256	3,451,664,100	3,756,519,946
Government Levies	121,148,196	116,511,263	190,599,853.00	230,591,904	254,568,577	88,787,598	98,955,130	179,015,723	480,738,154	651,419,536
Other Expenses	26,390,038	26,528,404	29,943,193.00	30,301,326	31,290,987	36,038,612	57,713,652	31,799,404	32,930,684	39,618,784
Total Expenditure	**2,912,994,359**	**3,048,693,473**	**3,210,659,303**	**3,374,910,907**	**3,773,367,137**	**3,590,865,618**	**3,788,181,916**	**4,074,634,862**	**4,385,762,224**	**4,925,723,119**
Results from Operating Activities	**300,563,368**	**556,451,874**	**501,203,305**	**514,703,477**	**872,724,531**	**660,433,450**	**1,122,999,447**	**1,898,591,854**	**3,785,661,237**	**3,522,143,134.06**
Finance Income	118,628,543	222,265,759	336,920,319.00	344,450,042	411,444,914	321,579,138	329,766,108	1,402,022,856	2,693,563,206.70	1,881,319,905
Finance Expenses	12,025,173	10,588,937	10,940,559.00	7,737,398	10,657,560	13,873,362	10,216,636	6,900,963	4,562,509	2,057,203
Net Finance Income	**106,603,370**	**211,676,822**	**325,979,760**	**336,712,644**	**400,787,354**	**307,705,775**	**319,549,472**	**1,395,121,893**	**2,689,000,698**	**1,879,262,702**
Surplus Before Taxation	**407,166,738**	**768,128,696**	**827,183,067**	**851,416,121**	**1,273,511,885**	**968,139,226**	**1,442,548,919**	**3,293,713,748**	**6,474,661,936**	**5,401,405,837**
Tax Expenses	26,031,646	47,342,329	70,759,017.00	92,323,030	115,204,576	81,246,467	79,143,866	372,056,361	2,372,942,411	1,582,737,354
Surplus for the Year	**381,135,092**	**720,786,367**	**756,424,050**	**759,093,091**	**1,158,307,309**	**886,892,759**	**1,363,405,053**	**2,921,657,387**	**4,101,719,525**	**3,818,668,483**
Other Comprehensive Income Acturial (Gain)/Loss on obligation	(29,335,586)	(14,247,556)	25,054,316.00	10,973,058	51,499,585	75,380,123	(81,555,310)	(5,809,848)	(56,777,547)	(143,148,191)
Total Comprehensive Income	**410,470,678**	**735,033,923**	**731,369,734**	**748,120,033**	**1,106,807,724**	**811,512,636**	**1,444,960,363**	**2,915,847,539**	**4,044,941,978**	**3,675,520,292**

Corporate Governance Report

The Board of Investment of Sri Lanka (BOI) was incorporated as a statutory body under the Parliament Act No: 49 of 1992 and BOI is the successors to Greater Colombo Economic Commission (GCEC) that was originally established under the Act No: 04 of 1978 with the following main objectives.

a) To foster and generate the economic development of the Republic;

b) To widen and strengthen the base of the economy of the Republic;

c) To encourage and promote foreign investment within the Republic;

d) To diversify the sources of foreign exchange earnings and to increase the export earnings;

e) To encourage and foster the establishment and development of industrial and commercial enterprises within the Republic;

f) To administer the affairs of the Area of Authority referred to in section 4; and

g) To do all such other acts as may be necessary or conducive to the attainment of any or all of the above objects.

BOI is the apex body of the government of attracting foreign direct investment (FDI) to the country entrusted with the responsibility of serving investors, including promoting and facilitating investments, fostering industrial development, and streamlining access to supportive services.

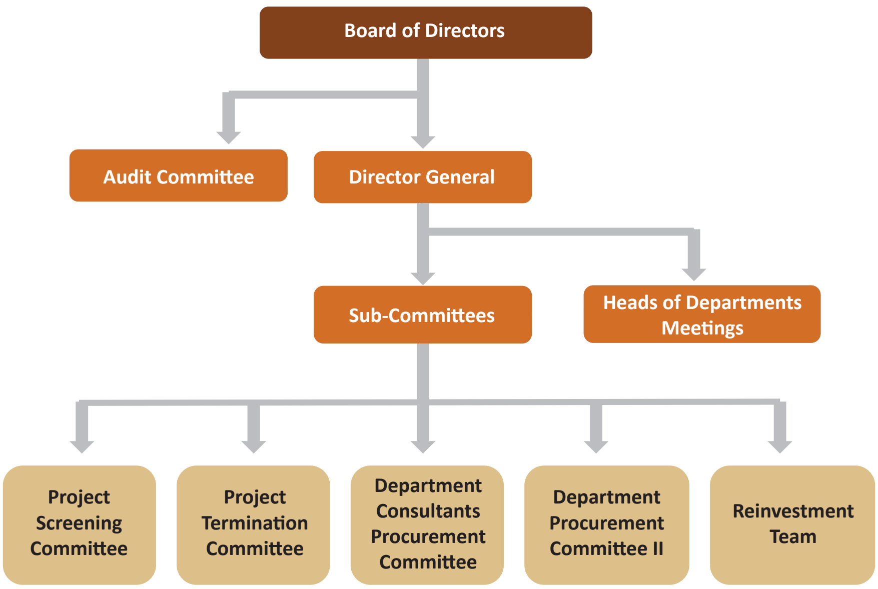
Governing Structure

Corporate Governance is the total system by which organizations establish a mechanism for the effective utilization of resources, direction and control of the organization in the best interest of its stakeholders ensuring greater transparency, better and timely financial reporting. The primary responsibility for Good Governance of the BOI lies with the Chairman and the Board of Directors.

The Board of Directors ensures that the governance framework is aligned with evolving regulations and best practices, thereby supporting the achievement of the BOI's strategic objectives while safeguarding its corporate values.

Governance Framework and Structure

The Board of Directors maintains a governance framework in all areas of its operations.



Board of Directors

Board of Directors comprises independent, non-executive directors who collectively oversee the BOI's affairs. The Board meets regularly to review the organization's performance, set strategic direction, and provide guidance to the management. The Board is directly accountable to the Government. The Government and its officials are therefore entrusted with the supervision, governance and management of BOI and have a duty to ensure that BOI is governed and operated in the best interest of the stakeholders and in full compliance within the regulatory framework.The Board meets monthly intervals and in addition special meetings are also arranged as required.

Main Responsibilities of the Members of the Board of Directors:

- Setting strategic directions through the establishment of objectives in line with the national policies and priorities, policies, goals and targets.
- Formulating Guidelines and ensuring their effectiveness to achieve objectives.
- Monitor performance against goals and objectives.
- Ensure that adequate internal controls and the highest ethical standards are maintained.
- Ensure that all key business areas are focused and appropriate and adequate controls, monitoring and reporting mechanisms are in place to address them promptly.

Board Meetings 2024

The Board meetings are scheduled by providing adequate notice to enable the Directors and Management to prepare all the key and strategic information required for deliberation in the meetings. The Directors are provided with the Agenda and Board papers at least seven days before each meeting giving them adequate time to study the contents. Heads of the Divisions attend the Board meetings by invitation as and when required to present additional information and provide further clarity to the Board. During the year under review the Board met on thirteen (13) occasions including Routine and Special Board Meetings. Details of director attendance at board meetings in 2024 are set out below.

Board of Directors (January - October 2024)

(03 January, 31 January, 28 February, 04 April, 30 April, 05 June, 03 July, 02 August, and 06 September)

Name of the Director	Position	Participated Meetings
Mr. Dinesh Weerakkody	Chairman & Board Member	09
Dr. Dushni Weerakoon	Board Member	08
Mr. Eraj De Silva	Board Member	08
Mr. H Manil Jayasinghe	Board Member	08
Mrs. Chandani Wijayawardhana	Board Member	04

Current Board of Directors (From October 2024 Onwards)

(24 October, 06 November, 11 December, and 20 December)

Name of the Director	Position	Participated Meetings
Mr. Arjuna Herath	Chairman & Board Member	04
Dr. Ruvani Fernando	Board Member	04
Mr. Sujeewa Mudalige	Board Member	04
Ms. Harshani Randiligama	Board Member	04
Ms. Janaki Siyambalagastenne	Board Member	04

Management

The Director General serves as the Chief Executive Officer (CEO) of the BOI, responsible for managing all operations and executing the directives issued by the Board of Directors. Several internal committees comprising Heads of Departments meetings, such as the Project Screening Committee, Project Termination Committee, Department Consultants Procurement Committee, Department Procurement Committee II, and the Reinvestment Team, are chaired by the Director General, providing support and facilitating the decision-making process of the Director General. The internal committees play a critical role in supporting the day-to-day operations of the BOI. These committees support the implementation of strategic objectives and policy decisions, and provide recommendations as needed, thereby facilitating Board of Directors to take policy decisions.

The management team of BOI is responsible for implementing the Board decisions and managing the organization's operations in an effective, efficient and transparent manner. The team is accountable for the organization's performance and to deliver sustainable growth.

Information Flow

Board of Directors is provided with detailed information in advance of the Board meetings to support informed decision-making. The management and the staff participate in meetings as needed. Board of Directors is responsible for ensuring that the procedures are in order and advising on corporate governance matters. Board materials are shared via a secure electronic plaform for timely access and environmental efficiency. Minutes of board meetings are regularly submitted to the Board.

Audit Committee

Audit Committee is constituted in accordance with the provisions in the 'Guidelines on Corporate Governance for State Owned Enterprises' which was issued in the year 2021 [Public Enterprises Circular No. 01/2021].

The Audit Committee is appointed by the Board and comprises three non – executive Directors of the Board. The committee reviews the organization's overall framework for internal control over financial reporting, and review of external and internal audit functions. The Audit Committee provides assistance to the Board of Directors in fulfilling its responsibilities and independently examines and evaluates the activities of the Board. Internal Audit function carried out in accordance with "Internal Audit Plan" is approved by the Audit Committee. The Committee adopted the Annual Action Plan of the Internal Audit, ensuring alignment with its defined scope, responsibilities, and formulation process.

Six (06) Audit Committee meetings (04 meetings with the previous Board and 02 meetings with the current Board) were held for the year 2024 complying with the guidelines stipulated in the above mentioned circular.

With Former Board of Directors

Composition of the Audit Committee	20 February	27 February	25 June	30 July
Mr Manil Jayasinghe – Chairman	Present	Present	Present	Present
Dr Dushni Weerakoon – Member	Present	Present	Present	Present
Ms Chandanie Wijayawardhana –Member	Absent	Absent	Absent	Absent
Mr K A Vimalenthirarajah – Observer / Treasury Representative.	Present	Present	Present	Present

With Current Board of Directors

Composition of the Audit Committee	18 November	06 December
Mr Sujeewa Mudalige – Chairman	Present	Present
Ms Janaki Siyambalagastenne – Member	Present	Present
Ms Harshani Randiligama – Member	Present	Present

Internal Control

The Board has responsibility to ensure that BOI maintains a system of Internal Control, which is designed to provide reasonable assurance that all transaction entered into by the Board are properly authorized, recorded & reported. Functional Organization Structure is in operation as the Head Office and Zones. Head of each department and zones directly report to the Director General who is the Chief Executive Officer (CEO) of BOI. Director General reports to the Chairman & the Board of Directors. The Internal Auditor reports directly to the Chairman of the BOI and Audit Committee, thereby strengthening the independence of the Internal Auditor. National Procurement Guidelines are followed by BOI in order to maintain the transparency of the transactions and thereby giving equal opportunities to interested parties. The Annual Budget which includes the capital budget, master procurement plan, progress reports are approved by the Board of Directors and forwarded to the Ministry of Finance.

Accountability and Audit

Public Enterprises are established, owned and operated by the Government on behalf of the Public. Therefore, Board of Directors and Management of the BOI are responsible for managing the organization to the Ministry of Finance, as Line Ministry. Annual Report comprising audited financial statements and current performance, Annual Budgets, Quarterly Performance Reports are forwarded to the same authorities, fulfilling the above responsibility. The financial statements of the Board of Investment (BOI) are prepared and presented in accordance with the Sri Lanka Accounting Standards. In compliance with Article 154(6) of the Constitution, the National Audit Act No. 19 of 2018, and the Finance Act No. 38 of 1971, the Auditor General serves as the statutory auditor of the BOI. Annual Report which embodies the performance of the BOI, Financial Statements, and Auditor General's Report is tabled in parliament for review by the Members of Parliament. Being a Public Enterprise, BOI is also accountable for the "Committee for Public Enterprises" (COPE) of Parliament.

Financial Statements

(For the year ended 31 December 2024)

BOARD OF INVESTMENT OF SRI LANKA
INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER	Note	2024 Rs.	2023 Rs. Restated
Revenue	**4**	**8,447,866,253**	**8,171,423,461**
Less : Expenses			
Operating Expenses	**6**	478,164,853	420,429,286
Administrative Expenses	**7**	3,756,519,946	3,451,664,100
Government Levies	**8**	651,419,536	480,738,154
Other Expenses	**9**	39,618,784	32,930,685
Total Operating Expenses		4,925,723,119	4,385,762,224
Surplus from Operating Activities		**3,522,143,134**	**3,785,661,237**
Finance Income		1,881,319,905	2,693,563,207
Finance Expenses		2,057,203	4,562,509
Net Finance Income	**10**	**1,879,262,702**	**2,689,000,698**
Surplus Before Income Tax Expense		**5,401,405,837**	**6,474,661,936**
Tax Expenses		1,582,737,354	2,372,942,411
Surplus for the year		**3,818,668,483**	**4,101,719,525**

BOARD OF INVESTMENT OF SRI LANKA

COMPREHENSIVE INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER	Note	2024 Rs.	2023 Rs. Restated
Surplus for the year		**3,818,668,483**	**4,101,719,525**
Other Comprehensive Income			
Add : Tax Effect on Acturial Gain/(Loss)		11,155,363	70,659,562
Less : Defined benefit plan Actuarial Gain/(Loss)	**21.2**	(154,303,554)	(127,437,109)
Total Comprehensive Income for the year		**3,675,520,292**	**4,044,941,978**

"Notes to the Financial Statements" set out on pages 66 to 89 form an integral part of the financial Statements.

BOARD OF INVESTMENT OF SRI LANKA

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER	Note	2024 Rs.	2023 Rs.
ASSETS			(Restated)
Non- Current Assets			
Property Plant and Equipment	11.1	14,109,993,399	16,288,025,757
Right of Use Assets	11.2	624,196	22,677,164
Investment Property	12	41,528,954,345	39,485,378,579
Intangible Assets-Software		54,408,767	1,137,500
Capital Work-in-Progress	13	1,503,772,936	1,020,617,559
Financial Assets	14	458,785,107	1,296,871,768
Net Defined Benefit Assets	21	-	47,964,636
Total Non- Current Assets		**57,656,538,750**	**58,162,672,964**
Current Assets			
Inventories		21,846,436	27,806,717
Financial Assets	15	7,122,688,886	5,244,577,206
Receivables from Enterprises	16	1,274,609,362	1,050,808,582
Payments in Advance and Other Receivables	17	794,010,592	664,827,531
Cash and Cash Equivalents	18	11,302,212,609	8,760,852,396
Total Current Assets		**20,515,367,885**	**15,748,872,432**
Total Assets		**78,171,906,636**	**73,911,545,397**
EQUITY AND LIABILITIES			
Equity			
Accumulated Fund		39,804,882,200	38,414,956,330
Reserves		15,212,044,125	15,340,693,234
		55,016,926,325	**53,755,649,564**
Deferred Revenue	20	17,041,345,166	16,917,566,079
Deferred Expenditure	19	(467,570,469)	(450,308,755)
		16,573,774,697	**16,467,257,324**
Total Equity		**71,590,701,022**	**70,222,906,888**
Non Current Liabilities			
Net Defined Benefit Liabilities	21	104,702,483	
Non Current Financial Lease Liabilities	22	-	372,679
Total Non Current Liabilities		**104,702,483**	**372,679**
Current Liabilities			
Current Financial Lease Liabilities	22	372,678	13,002,568
Accrued Expenses and Other Payables	23	3,166,563,878	2,005,221,657
Tax Payable	24	2,768,760,422	1,243,675,158
Deferred Tax Liability	25	540,806,154	426,366,448
Total Current Liabilities		**6,476,503,131**	**3,688,265,831**
Total Equity and Liabilities		**78,171,906,636**	**73,911,545,397**

“Notes to the Financial Statements” set out on pages 66 to 89 form an inteegral part of the financial Statements.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Approved and signed for and on behalf of the Board of Directors of Board of Investment of Sri Lanka.

…………………..	…………………..	…………………..	…………………..
Arjuna Herath	**Sujeewa Mudalige**	**Renuka M. Weerakone**	**C.P.Panadura**
Chairman	**Board Member**	**Director General (Actg.)**	**Director - Finance**

BOARD OF INVESTMENT OF SRI LANKA

STATEMENT OF CHANGES IN EQUITY

AS AT 31ST DECEMBER 2024

	Accumulated Fund Rs.	Revaluation Reserves Rs.	Total Equity Rs.
Balance as at 01st January 2023	**35,357,128,174**	**15,340,693,234**	**50,697,821,408**
Total Comprehensive Income for the year (Restated)	4,044,941,978	-	4,044,941,978
Contribution to the Consolidated Fund/Dividend Payable	-	-	-
Revenue Adjustment directly recognized through equity	(388,197)		(388,197)
Unclaimed ETF/FPF written back	86,613		86,613
Adjustment for BgEPZ Zonal office building value diectly through Equity	5,805,011	-	5,805,011
Adjustment for Land Value recognized through Equity	(2,000,000)		(2,000,000)
Recognition of Land Premium of cancelled projects as income through Equity	2,995,105		2,995,105
Contribution to the Consolidated Fund/Dividend Payable	(1,000,000,000)		(1,000,000,000)
Recognition of Assets Directly through Equity	6,387,645		6,387,645
Restated Balance as at 31st December 2023	**38,414,956,330**	**15,340,693,234**	**53,755,649,564**
Restated Balance as at 01st January 2024	**38,414,956,330**	**15,340,693,234**	**53,755,649,564**
Total Comprehensive Income for the year	3,675,520,292	-	3,675,520,292
Contribution to the Consolidated Fund/Dividend Payable[1]	(1,177,999,390)		(1,177,999,390)
Income Tax Over/ Under charged for the year 2018[2]	(61,444,122)		(61,444,122)
Income Tax Over/ Under charged for the year 2019[2]	(221,043,016)		(221,043,016)
Income Tax Over/ Under charged for the year 2020[2]	(168,205,309)		(168,205,309)
Income Tax Over/ Under charged for the year 2021[2]	(349,337,652)		(349,337,652)
Income Tax Over/ Under charged for the year 2022[2]	(436,214,041)		(436,214,041)
Transfer Revlaution surplus on Disposal of Assets [3]	128,649,109	(128,649,109)	-
Balance as at 31st December 2024	**39,804,882,200**	**15,212,044,125**	**55,016,926,325**

"Notes to the Financial Statements" set out on pages 66 to 89 form an inteegral part of the financial Statements.

01. The Board has allocated Rs. 1,177,999,390 as Dividend to the Treasury.
02. Additional Income Tax Charge for the prior years 2018 to 2022 amounting Rs. 1,236,244,140 have been recognized through equity.
03. Revaluation surplus related to the Disposed assets have been adjusted through equity

BOARD OF INVESTEMENT OF SRI LANKA

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER	2024 Rs (Mn.)	2023 Rs (Mn.)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations (Note 24)	4,481.08	3,066.97
Income tax paid	(1,104.13)	(818.46)
Payment of retirement benefit obligation	(54.28)	(58.16)
Contribution paid into the plan	(5.59)	-
Deferred revenue received	447.41	919.20
Land resevation received	2.91	49.75
ETF Refund	-	0.09
Net cash inflows/(out flows) from operating activities	**3,767.40**	**3,159.38**
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	1,880.84	2,717.79
Investment in Government Securities	(1,024.07)	1,458.36
Purchase of fixed assets	(67.16)	(71.86)
Proceeds from sale of fixed assets	1.41	9.96
Capital work in progress	(1,075.25)	(655.87)
Deferred expenditure	-	(1.88)
Net cash inflows/(outflows) from investing activities	**(284.24)**	**3,456.50**
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease installments paid	(13.89)	(24.42)
Fund transfer to the Treasury	(927.91)	-
Net cash flows/(outflows) from financing activities	**(941.80)**	**(24.42)**
Net Increase/ (Decrease) in Cash & Cash Equivalents	2,541.36	6,591.46
Cash & Cash Equivalents at beginning of the year	8,760.85	2,169.39
Cash & Cash Equivalents at end of the year	**11,302.21**	**8,760.85**

BOARD OF INVESTMENT OF SRI LANKA

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting Entity

Board of Investment of Sri Lanka established under Board of Investment of Sri Lanka Law, No 4 of 1978. The registered office and the principal place of organization located at West Tower, Word Trade Center, Echelon Square, Colombo 01.

2. Basis of Preparation

2.1 Statement of Compliance

The Statement of Financial Position, Comprehensive Income, Changes in Equity, Cash Flow and Notes together with summary of significant accounting policies of the Board have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) issued by The Institute of Chartered Accountants of Sri Lanka which represent International Financial Reporting Standards issued by the International Accounting Standard Board.

2.2 Use of Estimates, Judgements and Assumptions

The preparation of the Board's Financial Statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and underlying assumptions are reviewed on an ongoing basis. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

2.3 Approval of Financial Statements

The Financial Statements of the Board for the year ended 31st of December 2024 were approved and authorized for issue by the Board of Directors accordance with the Minutes of the Board Meeting held on 03rd of September 2025.

2.4 Comparative Information

Comparative information is disclosed in respect of the previous year in the Financial Statements in order to enhance the understanding of the current period's Financial Statements and to enhance the inter period comparability. The presentation and classification of the Financial Statements of the previous year are amended / restated, where relevant for better presentation and to be comparable with those of the current year.

2.5 Going Concern

The Board of Investment of Sri Lanka Law, No. 04 of 1978 has been repealed by subsection (1) of section 193 of the Economic Transformation Act, No. 45 of 2024 which has been certified by the Hon. Speaker on 09th August 2024.

However, in terms of subsection (2) of section 1 of the Economic Transformation Act, No. 45 of 2024, the provisions other than the provisions of Part II, Part III and Section 193 come into operation on the date on which the certificate of the Hon. Speaker is endorsed in respect of this Act, and in terms of subsection (3) of section 1, the provisions of Part II, Part III and Section 193 shall come into operation only after the date on which the Minister may appoint by Oder published in Gazette (the "appointed date"), which shall be a date within three months from the date of the certificate of the Speaker, referred to in subsection (2) of section 1.

In preparing the Financial Statements, the Management has assessed the ability of the Board of Investment of Sri Lanka (BOI) to continue as a going concern and the Management has a reasonable expectation that the BOI shall continue its operational existence in the foreseeable future utilizing its existing resources, considering the following provisions in subsection (2) of section 193 of the above Act.

Accordingly, notwithstanding the repeat of the Board of Investment of Sri Lanka Law, No.04 of 1978, operations of the BOI will be absorbed by the Economic Commission of Sri Lanka (ECSL).

Hence, the Board of Investment of Sri Lanka does not foresee a need for liquidation or cessation of operations, taking into account all available information about the foreseeable future. As such, the BOI continued to adopt the going concern basis in preparing the Financial Statements for the year ended 31st December 2024.

2.6 Functional and Presentation Currency

The financial statements are presented in Sri Lankan Rupees, which is the BOI's functional currency and all financial information presented in Sri Lankan Rupees has been rounded to the nearest rupees, except when otherwise indicated.

3 Significant Accounting Policies

3.1 Financial Assets

(a) The Classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The Board classifies financial assets as measured at amortized cost. Financial assets are initially recognized at fair value plus directly attributable transaction costs. Subsequent re-measurement of financial assets is determined by their categorization, which is reassessed at each reporting date.

All financial assets not classified as measured at amortized cost are measured at Fair Value through Other Comprehensive Income (FVOCI), or at Fair Value through Profit or Loss (FVTPL). On initial recognition, the Board may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost as at FVOCI, or FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Loans that are not held for trading, the Board may irrevocably elect to classify them as measured at Fair Value through Profit or Loss. This election is made at initial recognition of the Loans by considering the nature of financial assets. Investments in Treasury Bond within Plan Assets are not classified as measured at amortized cost as per SLFRS 9.

(b) Recognition and De-recognition

The settlement date is used for initial recognition and de-recognition of financial assets. As these transactions are generally under contracts whose terms require that the Board has transferred substantially all the risks and rewards of ownership.

(c) Impairment

Financial Assets are reviewed at each Statement of Financial Position date to determine whether there are any expected credit losses. If any such indication exists, the asset's recoverable amount is estimated. The Board measures the Expected Credit Losses based on an evaluation across all categories of Financial Assets. These estimates are driven by several factors such as the time value of money, breach of contract conditions, customer situation analysis, sub-group of receivables, payment profiles of debtors, collateral values, the assessment of a significant increase in credit risk, financial difficulties of customers, legal issues, reasonable and supportable information and forecast of future economic conditions.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating units exceeds its recoverable amount. Impairment losses are recognized in the Income Statement.

(d) De-recognition of Impairment Losses

Impairment losses recognized in the prior period are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is de-recognized if there has been a change in the estimates used to determine the recoverable amount.

BOARD OF INVESTMENT OF SRI LANKA

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3.2 *Property, Plant and Equipment*

(a) *Recognition and Measurement*

Property, Plant and Equipment stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items, and restoring the site on which they are located.

Value of property plant and equipment carried at valuation less accumulated depreciation as at 01^{st} January 2011 have been considered being the deemed cost as at 01^{st} January 2011 as per SLFRS 1 for the Revalued Assets.

(b) *Subsequent Expenditure*

The cost of replacing, developing, and constructing part of an item of Property, Plant, and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Board and its cost can be measured reliably. The costs of repairs and maintenance of Property, Plant and Equipment recognized in the Statement of Income and Other Comprehensive Income as incurred.

(c) *Depreciation*

Depreciation calculated on the straight-line basis on the cost / valuation of all items of Property, Plant and Equipment and recognized in the Income Statement. Depreciation charged on fixed assets from the date of purchase / construction up to the date of disposal when it is available for use. Property Plant and Equipment have been depreciated annually over the useful lives. Freehold Land is not depreciated.

Class of Assets	*Depreciation percentage per annum*	*Period (years)*
Buildings & Structures	5 - 10	10 -20
Plant and Machinery	10	10
Fixtures & Fittings	10	10
Office Furniture & Equipment	10	10
Computers	33.33	3
Motor Vehicles	20	5

(d) *De-recognition*

The carrying amount of items of property, plant and equipment are de-recognised upon disposal or when no future economic benefits are expected from its use. Gain or loss arising on de-recognition of an item of Property, Plant and Equipment is determined as the difference between the sales proceed and the carrying amount of the asset and is recognized in the Income Statement. (Within "Other Operating (Miscellaneous) / Income / Expense.

(e) ***Gain / Loss from Sale of Property, Plant and Equipment***

Any gains or losses on retirement or disposal of Property, Plant and Equipment are recognized in the period in which the sale occurs and is classified as Other Operating Income or Expense.

(f) ***Capital Work in Progress***

Capital expenditure incurred during the year on projects which are not completed as at the Statement of Financial Position date, are shown as Capital Work in Progress. These are stated at cost less any accumulated impairment losses. Capital Work in Progress is transferred to the relevant asset categories, such as Property, Plant and Equipment, Differed Expenditure and Expenditure incurred for Mega Projects, when it is in the location and in a condition necessary for it to be capable of operating in the manner intended by the Management.

(g) ***Leases – (Right of Use Assets)***

BOI recognizes Right of Use (ROU) assets and the amount of lease liabilities at the commencement of the lease. Assets acquired under financial liabilities are capitalized & included under the category of Right of Use of Assets with recognition of corresponding financial liability. Lease Assets are included in the heading Property, Plant and Equipment under the Right to Use of Assets and the lease liabilities are included in the headings Current and Non-Current Financial Liabilities.

Financial liabilities are derecognized, when the obligation specified in the contract is either discharged, canceled, expired, or replaced by a new liability with substantially modified terms. Right of use assets are depreciated over their useful life and are subject to testing for impairment if there is any indicator.

(h) ***Structures***

Deemed Values of Structures have been assessed under seven main sub categories. All items and components connected with each main sub categories are considered as forming part of one unit.

3.3

(a) ***Investment Properties***

Investment Properties are stated at cost prevailed (cost model) as of the date of classifying the said assets under Investment Properties.

Investment Property is recognized if it is probable, that future economic benefits that are associated with the Investment Property will flow to the Board and cost of the Investment Property can be reliably measured. Properties held to earn rental income have been classified as Investment Property. Subsequently, the fair value of the investment properties is not measured and no valuation has been carried out by an independent valuer who holds a recognized professional qualification in investment property, except for few properties.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

(b) Depreciation (Amortization)

Depreciation is calculated on the straight-line basis on the cost/valuation of the Investment Property other than land. Investment Property have been depreciated annually over the useful lives as follows.

Class of Assets	Depreciation Percentage per annum	Period (years)
Buildings	5	20

3.4 Intangible Assets

(a) Recognition and Measurement

Intangible assets that are acquired by the Board, which have finite useful lives are recognized if it is probable that future economic benefits will flow to the entity and cost can be measured reliably and carried at cost less accumulated amortization and impairment losses.

(b) Amortization

Amortization is recognized in the Statement of Income and Other Comprehensive Income on a straight-line basis, over the estimated useful lives of intangible assets from the date that they are available for use.

Class of Assets	Depreciation Percentage per annum	Period (years)
Software License- Kiosk	20%	5
Oracle Business Accounting Software	33.33 %	3

(c) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the Statement of Income and Other Comprehensive Income as incurred.

(d) Retirement and Disposal

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses on disposal of an item of intangible asset are determined by comparing the proceeds from disposal (net of any directly attributable expenses) with the carrying amount and are recognized on net basis within "Other Operating Income / (Expenses)" in the Statement of Income and Other Comprehensive Income.

3.5 Inventories

All inventories have been valued at lower of Cost or Net Realizable Value. Cost is determined based on First in First Out basis. (FIFO)

3.6 Other Assets

Other assets include Other Debtors, Receivables, Advances, Deposits and Prepayments.

(a) Advances, Deposits, Prepaid Expenditure

Expenditure which is deemed to have a benefit or relationship to more than one financial year is classified as advances, deposits and prepaid expenditure. Such expenditure is written off over the period, to which it relates, on a time proportion basis.

(b) Other Debtors

Other debtors are recognized at cost less impairment loss.

3.7 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash in hand and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These are held for the purpose of meeting short-term cash commitments.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

3.8 Cash Flow Statement

The Cash Flow Statement has been prepared by using indirect method in accordance with the Sri Lanka Accounting Standard No. 7 (LKAS) on Cash Flow Statements.

3.9 Employee Benefits

(a) Defined Contribution Plans

Employees are eligible for Employees' Provident Fund (EPF) Contributions and Employees' Trust Fund (ETF) Contributions in line with the respective statutes and regulations. The Board pays fixed contributions of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund and will have no legal or constructive obligation to pay further amounts.

(b) Defined benefit plans

Defined benefit plans are post-employment plans other than defined contribution plans. Board is liable to pay Gratuity in terms of the Payment of Gratuity Act No. 12 of 1983. A provision for the obligations under the Act is determined based on an actuarial valuation. The calculation is performed annually by an independent Actuary using the "Projected Unit Credit Method"

3.10 Liabilities & Provision

Liabilities & Provisions are recognized in the Statement of Financial Position when there is a legal /constructive obligation at present, as a result of past events where the settlement is expected to result in an outflow of resources embodying economic benefits.

Obligations payable on demand of the creditor or within one year of Statement of Financial Position date are treated as current liabilities in the Statement of Financial Position. Liabilities payable after one year from the Statement of Financial Position date are treated as non-current liabilities in the Statement of Financial Position.

Other Liabilities

Other liabilities include other creditors including Accrued Expenditure. These are stated at their historical value which is deemed to be their fair value.

3.11 Income Recognition

Revenue from services/fees is measured at fair value of the consideration received or receivable. License Fees and Agreement Processing Fees are recognized on cash basis.

- **Ground Rent**
  Lease Agreements are signed with Investors to lease land belonging to the BOI for periods ranging from 30 years to 99 years. According to the provisions in the Lease Agreements the Investors are bound to pay a Ground Rent annually, in respect of the demised premises over the lease period or until the Agreement is terminated.

- **Annual Fees**
  All BOI Enterprises which come under Section 17 of the BOI Law shall enter into an Agreement with the BOI and those Enterprises which operate outside BOI Zones are liable to pay an annual subscription in terms of the agreement until its closure, suspension of operations or cancellation of the Agreement.

- **Land Premium**
  All Investors who enter into Lease Agreements to lease BOI land are required to make an upfront payment as Land Premium at the time of signing the Agreement. The above income is recognized over the lease period specified in the Agreement.

(a) Interest Income

Interest income for all interest-bearing financial instruments, including those measured at amortized cost, are recognized within 'Finance Income' in the Income Statement.

(b) Other Income / Miscellaneous Income

(i) Other Income

Other income is recognized on an accrual basis.

(ii) Gain/ (Loss) from Sale of Property, Plant and Equipment

Any gains or losses on retirement or disposal of Property, Plant and Equipment are recognized in the period in which the sale occurs and is recognized under Miscellaneous Income or Expenses.

3.12 Expenses

Expenses Recognition

(a) Revenue Expenditure

All expenses are measured at fair value of the consideration given and recognized in the period to which those expenses relate. The surplus earned by the Board as shown in the Income Statement is after providing for all known liabilities and for depreciation of Property, Plant and Equipment.

(b) Capital Expenditure

Expenditure incurred for the purpose of extending or improving assets of a permanent nature by means to carry on the organization or for the purpose of increasing the service/product capacity of the organization has been treated as Capital Expenditure.

(c) Finance Income and Finance Expenses

Net Finance Income comprise of interest income on funds invested/deposited, staff loans and interest expense on financial liabilities that are recognized in the Statement of Income and Other Comprehensive Income.

All interest and other costs incurred in connection with borrowings/finance leases are expensed as incurred, as part of Net Finance Income, except to the extent which is eligible for capitalization.

3.13 Statement of Cash Flows

The Cash Flow Statement has been prepared using the indirect method in accordance with the Sri Lanka Accounting Standard No. 7 – Statement of Cash Flows (LKAS 7).

3.14 Related Party Transactions

The relevant details are disclosed in the respective Notes to the Financial Statements.

3.15 Taxation

The Board of Investment was exempt from Corporate Income Tax up to March 31, 2018, under Section 32 of the BOI Act No. 04 of 1978. However, with the enactment of the New Inland Revenue Act No. 24 of 2017, these exemptions were removed effective April 1, 2018. The BOI sought an opinion from the Attorney General regarding this matter. In the Attorney General's opinion, the tax exemption previously granted to the BOI under the Inland Revenue Act No. 10 of 2006 has been removed by the prevailing Inland Revenue Act No. 24 of 2017. Therefore, according to the opinion, the BOI is liable to pay income tax with effect from April 1, 2018, under the provisions of the current Inland Revenue Act No. 24 of 2017. Financial Statements were rested accordingly.

3.16 Changes in Accounting Policies

In accordance with LKAS 16 on Property, Plant and Equipment, the management of the Board has made a policy decision to revise the amortization period for the software licenses associated with the kiosk machine. Previously, these licenses were amortized over 20 years. However, after reassessing factors such as wear and tear, technological obsolescence, and the asset's useful economic life, the Board has decided to amortize the software licenses of Kiosk over 5 years. This change will be applied prospectively.

FOR THE YEAR ENDED 31ST DECEMBER	2024 LKR	2023 LKR
4 Revenue		
Ground Rent	2,787,560,688	2,978,282,884
Annual Fees	1,370,777,160	1,593,856,352
Import/Export Service Charges	1,469,545,205	1,367,900,974
Net Income from Supply of Water (Note 4.1)	1,528,204,062	1,006,971,158
Land and Building Premium	322,029,117	308,720,994
Rent Income	176,466,470	166,388,011
License Fee Sec.-16 Enterprises	47,344,381	63,736,930
Sale of Entry Permits	369,853,617	334,593,127
Agreement Processing Fees	133,884,794	129,433,379
Income from Housing & Other Projects	17,162,785	19,525,504
Miscellaneous Income	225,037,973	202,014,149
	8,447,866,253	**8,171,423,461**

4.1 Net Income from Supply of Water for Enterprises

Income from Water Supply	4,043,711,333	2,970,814,691
Related Cost on Water Supply	(2,515,507,271)	(1,963,843,533)
Net Income from Supply of Water	**1,528,204,062**	**1,006,971,158**

5 Surplus before Income Tax Expense

Surplus before income tax expenses is stated after charging/(crediting) all expenses including the followings.

Operating Expenses (Note 6)	478,164,853	420,429,286
Administrative Expenses (Note 7)	3,756,519,946	3,451,664,100
Government Levies (Note 8)	651,419,536	480,738,154
Other Expenses (Note 9)	39,618,784	32,930,685

6 Operating Expenses		
Investment Promotion Expenses	9,324,420	18,732,832
Maintenance of Zones	255,921,638	233,249,150
Light & Power	103,914,307	77,592,060
Security Services	109,004,489	90,855,244
	478,164,853	**420,429,286**

BOARD OF INVESTMENT OF SRI LANKA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER	2024 Rs.	2023 Rs.
7 Administrative Expenses		
Personnel Cost (Note 7.1)	1,854,588,896	1,660,655,636
Staff Welfare Expenses	451,549,283	429,702,715
Printing & Stationery	39,919,195	45,250,527
Maintenance of P/M Computer & Office Equipment's.	83,666,913	77,589,866
Building Maintenance	136,756,241	110,618,059
Transport Related Expenses	185,901,220	179,670,197
Office Rent & Verification Unit Rent	87,351,102	78,135,981
Press Notifications	6,653,208	6,030,720
Water Consumption	6,011,425	13,169,324
Communication Expenses	37,034,964	39,244,870
Municipality Rates	20,029,781	19,921,817
Staff Training	14,039,833	15,316,595
Legal & Professional Charges	4,735,512	18,117,844
Compensation for Legal Obligations	468,795	-
Travelling & Subsistence	4,612,640	4,127,525
Audit Fees	3,400,000	2,832,000
Impairment on Debtors	138,835,082	90,400,907
Depreciation	680,965,856	660,879,516
	3,756,519,946	**3,451,664,100**
7.1 Personnel Cost		
Board Members Fee	70,000	90,000
Chairman / Director General	727,475	855,000
Salaries & Wages - Executive Staff	596,500,701	568,273,307
Salaries & Wages - Clerical & Allied Staff	115,488,607	105,487,569
Salaries & Wages - Security Staff	93,606,559	77,923,880
Salaries & Wages - Minor Staff	151,064,746	132,754,802
Overtime Expense	110,286,173	93,705,374
Provision for Leave Encashment	93,800,101	72,048,797
Provision for Bonus	64,833,250	52,633,287
Provision for Retirement Benefit Obligation	17,091,012	(9,576,449)
Contribution to Employee's Provident Fund	125,798,362	114,037,778
Contribution to Employee's Trust Fund	25,159,674	22,807,557
Key Performance Payment Allowance	436,438,559	407,248,977
Professional Allowance	17,308,998	17,104,450
Other Staff Cost	6,414,680	5,261,307
	1,854,588,896	**1,660,655,636**

BOARD OF INVESTMENT OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER	2024 Rs.	2023 Rs.
8 Government Levies		
Stamp Duty	549,675	489,276
Social Security Contribution Levy	189,839,811	197,001,934
Value Added Tax - Disallowed VAT Input	461,030,050	283,246,944
	651,419,536	**480,738,154**
9 Other Expenses		
Expenses on Issuing Identity Cards	2,641,665	2,848,088
Sundry Expenses	22,039,690	14,786,619
Loss on Disposals of Property Plant & Equipment	2,443,715	4,395,962
Container Key Locks	4,075,211	2,679,900
Insurance	2,865,583	2,772,202
Environment Control Expenses	373,548	793,564
Corporate Social Responsibility Expenses	3,000,000	3,000,000
Entertainment	2,179,373	1,654,350
	39,618,784	**32,930,685**
10 Net Finance Income		
Finance Income		
Interest Income on Call Deposits/Others	1,852,313,122	2,661,150,973
Interest Income on Staff Loans	29,006,782	32,412,234
Total Finance Income	1,881,319,905	2,693,563,207
Finance Expenses		
Interest Expenses on Lease Liabilities	885,338	3,283,061
Bank Charges	1,171,865	1,279,448
Total Finance Expenses	2,057,203	4,562,509
Net Finance Income	**1,879,262,702**	**2,689,000,698**
11 Property, Plant and Equipment/Right of Use Assets		
Property, Plant and Equipment Owned (Note 11.1)	14,109,993,399	16,288,025,757
Right of Use Assets (Note 11.2)	624,196	22,677,164
Written Down Value of the Property Plant & Equipment	**14,110,617,595**	**16,310,702,921**

BOARD OF INVESTMENT OF SRI LANKA

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2024

11.1 Property, Plant and Equipment

Freehold Assets at Cost	Land Rs.	Buildings Rs.	Structures Rs.	Plant & Machinery Rs.	Fixtures & Fittings Rs.	Furniture, & Office Equipment Rs.	Computers Rs.	Motor Vehicles Rs.	Total 31.12.2024 Rs.	Total 31.12.2023 Rs.
Balance as at 01st January	11,333,047,295	1,969,214,587	8,556,965,787	123,217,291	1,422,650	245,822,659	341,620,501	513,822,713	23,085,133,484	22,684,203,236
Additions during the year	-	-	-	5,434,052	294,150	26,977,703	28,810,635	5,645,619	67,162,159	79,663,138
Transferred from Capital Work in Progress	-	27,946,924	403,058,882	5,339,265	598,980	10,339,974	-	-	447,284,025	277,972,061
Transferred from Right of Use Assets	-	-	-	-	-	-	-	95,430,000	95,430,000	51,720,000
Disposal during the year	-	10,085,000	-	1,467,154	-	4,386,301	12,107,758	-	28,046,213	6,648,684
Transferred to Investment Property	2,070,205,225	-	-	-	-	-	-	-	2,070,205,225	2,753,268
Transferred from Investment Property	3,700,200	-	-	-	-	-	-	-	3,700,200	977,000
Balance as at 31st December	**9,266,542,270**	**1,987,076,511**	**8,960,024,669**	**132,523,454**	**2,315,780**	**278,754,035**	**358,323,378**	**614,898,332**	**21,600,458,429**	**23,085,133,484**
Depreciation										
Balance as at 01st January	-	1,336,366,380	4,453,778,511	66,197,314	813,613	157,372,988	284,507,815	498,071,104	6,797,107,724	6,152,359,938
Dep.of disposed AC machine erroniously in 2020	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	102,301,030	450,874,689	9,665,712	115,573	16,529,607	32,404,498	11,778,493	623,669,602	600,623,236
Transferred from Right of Use Assets	-	-	-	-	-	-	-	95,430,000	95,430,000	51,183,016
On Disposals	-	8,066,622		1,467,154		4,097,493	12,103,047	-	25,734,316	5,940,286
Prior Year Adjustment for Transferred to IP	-	7,979	-	-	-	-	-	-	7,979	1,850,930
Dep.trf fm Investment Property	-	-	-	-	-	-	-	-	-	732,750
Balance as at 31st December	-	1,430,592,809	4,904,653,200	74,395,872	929,186	169,805,102	304,809,267	605,279,597	7,490,465,030	6,797,107,724
Written Down Value of Freehold Assets										
As at 31st December	**9,266,542,270**	**556,483,702**	**4,055,371,469**	**58,127,582**	**1,386,594**	**108,948,934**	**53,514,111**	**9,618,735**	**14,109,993,399**	**16,288,025,760**

Property, Plant and Equipment includes fully depreciated assets which are in use, the cost of which as at the reporting date amounted to Rs. 990,427,161.2 (Note No 11.3)

11.2 Right of Use Assets-Motor Vehicles

	2024 Rs.	2023 Rs.
Balance as at 01st January - Cost	127,160,000	178,880,000
Transferred to Property Plant & Equipment	(95,430,000)	(51,720,000)
Balance as at 31st December	31,730,000	127,160,000
Depreciation		
Balance as at 01st January	104,482,836	119,889,852
Charge for the year	22,052,968	35,776,000
Transferred to Property Plant & Equipment	(95,430,000)	(51,183,016)
Balance as at 31st December	31,105,804	104,482,836
Written Down Value of Right of Use Assets as at 31st December	624,196	22,677,164

Lease Motor Vehicles are mainly related to Property use in administration purposes. The liability relating to these assets are shown under Note 22 "Non Current Financial Liabilities".

BOARD OF INVESTMENT OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2024

11.3 Property, Plant and Equipment (Contd.)

The initial cost of fully-depreciated Property, Plant and Equipment as at 31 December which are still in use is as follows:

AS AT 31ST DECEMBER	No of Items	2024 Rs.	2023 Rs.
Plant & Machinery	182	30,124,629	28,266,464
Fixtures & Fittings	112	520,639	418,599
Furniture,& Office Equipment	11,644	101,386,304	95,540,777
Computers	4,471	264,677,425	248,780,946
Motor Vehicles	159	593,718,165	408,158,151
Total Fully Depreciated Property,Plant & Equipments	16,568	**990,427,161.17**	**781,164,937**

12 Investment Property

	2024	2023
Balance as at 1st January	39,722,005,914	39,736,425,003
Transferred from Property Plant & Equipment - Land & Building	2,070,205,225	2,753,268
Additions during the year	-	6,387,645
Transferred to Property Plant & Equipment-Land	3,700,200	977,000
Adjustments to the Land Value	-	(2,000,000)
Disposals during the year	-	20,583,000
Prior Year Adjustment for Transferred to IP	7,979	
Less -Accumulated Amortization as at 31st December	259,548,615	236,627,336
Balance as at 31st December	**41,528,954,345**	**39,485,378,580**

13 Capital Work-in-Progress

	2024	2023
General Projects		
Balance as at 1st January	771,492,346	414,951,849
Additions during the year	1,035,224,959	678,179,341
Capitalized during the year	(447,284,025)	(299,197,506)
Refunds & Adjustments	(10,377,518)	(22,441,339)
Transferred to Deff. expenses on relocation	79,217,680	
Balance as at 31st December	**1,269,838,080**	**771,492,346**
Special Projects		
Balance as at 1st January	229,084,330	228,956,908
Additions during the year	-	127,422
Balance as at 31st December	**229,084,330**	**229,084,330**
Software Assets -IT Enablement Project		
Balance as at 1st January	20,040,883	20,040,883
Additions during the year	42,677,917	-
Capitalized during the year	65,593,275	-
Refunds & Adjustments	7,725,000	-
	4,850,526	**20,040,883**
Total Capital Work-in-Progress	**1,503,772,936**	**1,020,617,559**

Advance payments on preliminary and development expenses on Special Projects which can not be estimated and classified initially or as at Balance Sheet date have been shown under Capital Work-In-Progress (CWIP) until those projects are completed. Cost of the ongoing software solutions are shown under CWIP.

AS AT 31ST DECEMBER	2024 Rs.	2023 Rs.
14 Non Current Financial Assets		
Staff Loans & Advances (Note 14.1) [1]	458,785,107	541,723,558
Financial Assets measured at Amortized Cost		
Investment in Government Securities - Treasury Bond [2]		755,148,210
Total Non Current Financial Assets	**458,785,107**	**1,296,871,768**

1. Rs.232,248,645.57 the part less than one year of other non current Financial assets is included under other current Financial assets.

	2024 Rs.	2023 Rs.
14.1 Staff Loans & Advances		
Staff Loans & Advances-Maturity part more than one year (Note 14.2)	458,785,107	541,723,558
Staff Loans & Advances - Maturity part less than one year (Note 15)	232,248,646	226,220,841
Total Staff Loans & Advances	**691,033,753**	**767,944,399**

14.2 Non Current Financial Assets

Financial Assets (Loans and receivables) measured at amortized cost break down by maturity date is as follows.

		Maturity	
	31.12.2024 **Rs.**	**Between 1 and 05 years**	**After 05 years**
Staff Loans & Advances	458,785,107	359,055,028	99,730,079
Total Non Current Financial Assets	**458,785,107**	**359,055,028**	**99,730,079**

		Maturity	
	31.12.2023 **Rs.**	**Between 1 and 05 years**	**After 05 years**
Staff Loans & Advances	541,723,558	418,223,351	123,500,207
Total Non Current Financial Assets	**541,723,558**	**418,223,351**	**123,500,207**

	AS AT 31ST DECEMBER	2024 Rs.	2023 Rs.
15	**Current Financial Assets**		
	Measured at amortized cost maturity part less than one year		
	Staff Loans	220,763,958	213,439,803
	Staff Advances	11,484,688	12,781,038
	Total Staff Loans & Advances as at 31st December	232,248,646	226,220,841
	Less-Provision for Impairment on Staff loan (Note 15.1)	(51,359)	(3,441,657)
		232,197,287	**222,779,183**
	Financial Assets measured at Fair Value		
	Investment in Government Securities -Treasury Bills	6,115,219,418	5,021,778,023
	Fixed Deposit - Safe Custodian Vault	20,000	20,000
		6,115,239,418	**5,021,798,023**
	Financial Assets measured at Amortized Cost		
	Investment in Government Securities - Treasury Bond [1]	775,252,181	
	Total Current Financial Assets	**7,122,688,886**	**5,244,577,206**

1. The Board has invested Rs.730,646,046 in Treasury Bonds with a maturity period of 03 years and 3 months on 10.02.2022 at the Coupon Rate of 9%.Maturity date is 01.05.2025.

		2024 Rs.	2023 Rs.
15.1	**Provision for Impairment on Receivables - Staff Loans & Advances**		
	Balance as at 1st January	3,441,657	2,660,506
	Provision made during the year	(3,390,298)	781,151
	Balance as at 31st December	**51,359**	**3,441,657**

AS AT 31ST DECEMBER	2024 Rs.	2023 Rs.
16 Receivables from Enterprises		
Receivables from Enterprises	1,843,503,223	1,480,032,535
Less-Provision for Impairment on Receivables - (Note 16.1)	568,893,862	429,223,953
	1,274,609,362	**1,050,808,582**
16.1 Provision for Impairment on Receivables		
Balance as at 1st January	429,223,953	359,321,925
Provision made during the year	139,669,908	69,902,028
Balance as at 31st December	**568,893,862**	**429,223,953**
17 Payments in Advance and Other Receivables		
Advance Payments	489,699	702,608
Advance Payments Foreign Travel	569,999	569,999
Sri Lanka Mission Abroad	-	554,964
Mobilization Advances	217,187,762	239,365,623
Prepaid Expenses	40,314,353	26,072,822
Interest Income - Receivables	298,689,637	298,205,036
Deposit Receivables	13,760,966	14,070,966
Deposit Against Pending Litigation	105,125,435	106,119,518
Other Receivables	181,826,170	40,563,952
Less-Provision for Impairment on Receivables (17.1)	(63,953,429)	(61,397,957)
	794,010,592	**664,827,531**
17.1 Provision for Impairment on Other Receivables		
Balance as at 1st January	61,397,958	83,775,009
Provision made during the year	2,555,472	(22,377,052)
Balance as at 31st December	**63,953,429**	**61,397,958**

AS AT 31ST DECEMBER	2024 Rs.	2023 Rs.
18 Favourable Cash & Cash Equivalents		
Bank of Ceylon - Personal Branch	854,626,743	1,152,240,658
Bank of Ceylon - Personal Branch	3,353,836	3,058,504
Bank of Ceylon -Katunayake	79,359,800	35,469,234
Bank of Ceylon -Biyagama	197,978,235	225,835,646
Bank of Ceylon - Koggala	4,123,364	6,917,224
Bank of Ceylon - Digana	32,720,962	21,157,605
Bank of Ceylon -Avissawella	257,051,652	40,134,742
Bank of Ceylon -Ingiriya	77,808,524	17,840,071
Bank of Ceylon - Mirigama	451,012	155,624
Bank of Ceylon - Nittambuwa	30,468,671	28,331,633
Bank of Ceylon - Kurunegala	3,147,401	8,575,318
Gold Sovereign	44,800	44,800
Balance in Franking Machine	106,759	55,841
National Savings Bank - Staff Security Deposits	202,065	216,925
Repurchase Agreements	9,760,768,786	7,220,818,571
Total Cash and Cash Equivalents	**11,302,212,609**	**8,760,852,396**

19 Deferred Expenditure

Expenditure incurred on interior decorations ,carpeting and partitions are recognized in the income statement on a straight line basis over the estimated useful life of 10 years. Amortization of Cost of Zone Development is recognized over 20 years.

	2024 Rs.	2023 Rs.
Balance as at 1st January	450,308,755	485,280,787
Expenditure Deferred during the year	79,217,681	23,104,445
Less - Current year expenditure	(61,955,967)	(58,076,477)
Balance as at 31st December	**467,570,469**	**450,308,755**

AS AT 31ST DECEMBER		2024 Rs.	2023 Rs.
20 Deferred Revenue			
Land Premium	**20.1**	17,001,756,659	16,875,110,312
Grant	**20.2**	6,237,117	6,391,045
Upfront Payment on Leased Buildings	**20.3**	33,351,389	36,064,722
		17,041,345,166	**16,917,566,079**

20.1 Deferred Revenue - Land Premium	2024 Rs.	2023 Rs.
Balance as at 1st January	16,875,110,312	16,234,430,556
Received during the year	444,582,897	919,195,452
Trf from reservation account	9,309,852	33,200,403
Recognized income through Income Statements	(316,420,600)	(292,570,573)
Charge - Cancelled Project	(10,825,802)	(16,150,421)
Previous year cancellation-Amended to Accumilated Fund	-	(2,995,105)
Balance as at 31st December (Note 20.1.1)	**17,001,756,659**	**16,875,110,312**

20.1.1 Deferred Revenue

		Maturity		
	31.12.2024 Rs.	Within 01 year	Between 1 and 05 years	After 5 years
Land Premium	17,001,756,659	316,420,600	1,582,102,999	15,103,233,061
	17,001,756,659	**316,420,600**	**1,582,102,999**	**15,103,233,061**

		Maturity		
	31.12.2023 Rs.	Within 01 year	Between 1 and 05 years	After 5 years
Land Premium	16,875,110,313	292,717,077	1,463,585,385	15,118,807,851
	16,875,110,313	**292,717,077**	**1,463,585,385**	**15,118,807,851**

Deferred income liabilities principally relate to Land Premium Income received from Enterprises, for which revenue

AS AT 31ST DECEMBER **20.2 Deferred Revenue - Grant**	2024 Rs.	2023 Rs.
Balance as at 1st January	6,391,044	9,450,108
Additions during the year		
Enterprise Grant	2,825,420	-
Recognized income through Income Statements	(2,979,347)	(3,059,065)
Balance as at 31st December	**6,237,117**	**6,391,044**

Grant from the Japanese Government is recognized as Non Current Assets at their fair value. Grant is recognized as income over the period to match with the depreciation expenses on those assets.

20.3 Upfront Payment on Leased Buildings

The Board has leased out factory buildings on long term basis and the value of the buildings collected upfront have been shown under the Deferred Revenue. The revenue recognition in the agreement is applied separately to each agreement and that amount is recognised as rent revenue over the lease period.

AS AT 31ST DECEMBER	2024 Rs.	2023 Rs.
21 Retirement Benefit Obligations		
Total Fair Value of Plan Assets (Note 21.2)	463,523,721	457,935,021
Total Present Value of Defined Benefit Obligations (Note 21.1)	568,226,203	409,970,385
Excess (Liabilities)/Assets over Defined Benefit Obligations	(104,702,483)	47,964,636
21.1 Movement in the Present Value of Defined Benefit Obligations		
Present Value of Defined Benefit Obligations as at 01st January	409,970,385	306,570,548
Interest Cost	49,196,446	45,985,582
Current Service Cost	22,846,768	13,128,222
Actuarial (Gain) / Loss on obligations	140,488,158	102,447,555
Less - Payments made/payable during the year	(54,275,554)	(58,161,522)
Total Present Value of Defined Benefit Obligations	568,226,203	409,970,385
21.2 Movement in the Present Value of Plan Assets		
Fair Value of Plan Assets	457,935,021	457,935,021
Expected Return on Plan Assets for the period	54,952,203	68,690,253
Contribution paid into the Plan	5,588,700	-
Benefits Paid /Payble by the Plan	(41,136,806)	(43,700,699)
Actuarial Loss on Plan Assets	(13,815,397)	(24,989,554)
Fair Value of Plan Assets	463,523,721	457,935,021
Plan Assets consists of the following		
Treasury Bonds	463,523,721	457,935,021
Total of Gratuity Plan Assets	463,523,721	457,935,021
21.3 Expenses Recognized in the Income Statement		
Interest Costs	49,196,446	45,985,582
Expected Return on Plan Assets	(54,952,203)	(68,690,253)
Current Service Cost	22,846,768	13,128,222
Actuarial Loss Recognized in the Other Comprehensive Income	(154,303,554)	(127,437,109)
Total Amount Recognised in Income Statement	171,394,566	117,860,660

An independent actuarial valuation of the Retirement Benefit Obligation was carried out as at 31st December 2024 by professional Actuary M/S Actuarial & Management Consultants (Pvt) Limited. The valuation method used by the Actuary to value the Retirement Benefit Obligation is " Projected Unit Credit Method". Board maintains separate plan assets consisting of investments in Treasury Bonds. The contributions to the Plan Assets by the Board are based on Actuarial Valuation

The Key Assumptions used by Actuary includes the following.

	2024	2023
(i) Discount Rate	9%	12%
(ii) Salary Increment Rate	3 p.a.	3 p.a.
(iii) Assumption regarding Future Mortality	A1967/70	A1967/70
(iv) Retirement Age	60 Years	60 Years

(v) Salary increment rate : 10% in 2025 ,9% in 2026 and thereafter 7.00% p.a.

AS AT 31ST DECEMBER		2024 Rs.	2023 Rs.
22	**Non Current Financial Liabilities - Lease Liability**		
	Balance as at 1st January	14,266,314	38,654,241
	Adjustment to the Lease Liability	591	32,782
	Repayment during the year/Including Interest Expense	(13,887,907)	(24,420,709)
	Total Undiscounted Lease Liailities as at 31st December	**378,998**	**14,266,314**
	Discounted Contractual Lease Liabilities included in the Statement of Finacial Position		
	Current Financial Lease Liabilities (Less than one year)	372,678	13,002,568
	Non Current Financial Lease Liabilities (More than one year)	-	372,679
	Total Payable Finance Liabilities - Lease	**372,678**	**13,375,247**
	Amount Recognised in the Income Statement - Interest on Lease Liabilities		
	Interest on Lease Liabilities	885,338	3,283,061
	Total Interest on Lease Liabilities	885,338	3,283,061
23	**Accrued Expenses and Other Payables**		
	Sundry Creditors	1,256,008,439	141,922,258
	Accrued Expenses	154,723,217	310,683,228
	Dividend Payable to Treasury	1,177,999,390	1,000,000,000
	Gratuity Payable	-	536,792
	Funds received for Commonwealth FDI Promotion	917,160	917,160
	Dialog - Subsidy	432,849	642,849
	Receipts in Advance	189,874,960	190,730,001
	Refundable Deposits	184,147,568	150,927,762
	Land Reservation Fees	66,752,092	73,153,404
	Deposit Payable	135,708,204	135,708,204
	Central Environmental Authority	-	-
	Total Operating and Other Payables	**3,166,563,878**	**2,005,221,658**
24	**Tax Payable**		**Restated**
	Opening Balance	1,243,675,158	186,219,651
	Tax charge for the period	1,457,142,285	808,068,962
	Additional Income Tax charge for prior year - 2023	-	1,067,847,439
	Additional Income Tax charge for prior years - 2018-2022	1,236,244,140	-
	Tax Payments during the period	(1,104,134,758)	(818,460,894)
	Tax Credit on WHT	(64,166,404)	-
	Closing Balance	**2,768,760,422**	**1,243,675,158**
25	**Deferred Tax Asset / Liability**		**Restated**
	Opening Balance	426,366,448	-
	Deferred Tax recognize in P & L	125,595,069	497,026,010
	Tax Effect on Acturial Gain/(Loss)	(11,155,363)	(70,659,562)
	Closing Balance	**540,806,154**	**426,366,448**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER

26 CASH GENERATED FROM OPERATIONS

	2024 Rs (Mn.)	2023 Rs (Mn.)
Surplus after income tax	3,675.52	5,539.16
Depreciation	668.64	660.81
Amortization on intangible asset	12.32	0.07
Income tax expense	1,582.74	808.07
Tax Effect on Acturial Gain/(Loss)	(11.16)	-
Provision for retirement benefit obligation	72.04	59.11
Acturial (Gain) / Loss on obligation	140.49	102.45
Provision for impairment of debtors	138.84	48.31
Deferred revenue - Land premium	(316.42)	(292.72)
Deferred Revenue - Grant	(2.98)	(3.06)
Deferred Revenue - Building premium	(2.71)	(1.36)
(Profit)/Loss on sale of fixed assets	0.91	(4.11)
Investment income	(1,881.32)	(2,684.06)
Interest on lease	0.89	3.28
Cancelled projects	(10.83)	(19.00)
Provision to Fund transfer to the Treasury	(1,178.00)	(1,000.00)
Revenue adjustment	-	2.61
Income Tax Over/ Under charged for Prior Years	(1,236.24)	-
Correction of over valuation	-	(2.00)
Amortization of deferred expenditure	61.96	58.08
Amortization of Interest Income	(89.47)	(87.34)
Operating surplus before working capital changes	**1,625.21**	**3,188.30**
Working capital changes		
Stocks	5.96	(8.18)
Receivables from enterprises	(435.56)	(606.16)
Payment in advance & other receivables	(131.25)	37.71
Financial assets (Staff Loan & Advances)	76.91	114.42
Accrued expenses & other payables	3,339.82	340.89
Operating surplus after working capital changes	**4,481.08**	**3,066.97**

BOARD OF INVESTMENT OF SRI LANKA

NOTES TO THE FINANCIAL STATEMENTS

27. ***Related Party Disclosures***

Board of Directors

1. Mr. Arjuna Herath, Chairman - There is no business transactions have been entered into with the BOI in 2024.

2. Dr. Ruwani Fernando , Board Member- There is no business transactions have been entered into with the BOI in 2024.

3. Mrs. Janaki Siyambalagastenne, Board Member - She is spouse of Chief Executive Officer of the Sri Lankan Catering Ltd with which business transactions have been entered into with the BOI in 2024 (Refer Annexure I).

4. Mrs. Harshani Randiligama, Board Member - She is a Board Member of the NAITA with which business transactions have not been entered into with the BOI in 2024.

5. Mr. Sujeewa Mudalige, Board Member – Currently he serves as an Independence Non-Executive Director at CIC Feeds Group and Galadari Hotels (Lanka) PLC with which business transactions have been entered into with the BOI in 2024 (Refer Annexure I).

28. **Contingent Liabilities**

28.1. The list of pending litigations is attached (Refer Annexure II) and the actual liability of such litigations cannot be ascertained accurately or measured reliably. Therefore, Contingent Liabilities are not recognized in the Statements of Financial Position but are disclosed.

28.2. Court has seized a sum of Rs.102,135,350.00 on 01.01.2015 in relation to the case filed by Million Garments (Pvt) Ltd against the BOI. The Board has assessed impairment for seized deposit and impaired based on related judgments.

29. **Economic Transformation Act No. 45 of 2024**

Economic Transformation Act No. 45 of 2024 was certified by the Hon. Speaker on 09th August 2024. The Board of Investment of Sri Lanka Law, No 04 of 1978 will be repealed by the Section 193 of the above Act. The provision of Section 193 shall come into operation on such dates as the Minister may appoint by Order publish in Gazette, which shall be date with in three months from date of the certificates of the Speaker referred above.

BOARD OF INVESTMENT OF SRI LANKA
RELATED PARTY DISCLOSURES

TRANSACTION HISTORY - 2024

Mrs. Janaki Siyambalagastenne - Her spouse is the Chief Executive Officer of the Sri Lankan Catering Ltd.

AGREEMENT NO	CUSTOMER NAME	STSTUS	MODE	AMOUNT IN RS.	IMPORT Rs.(Mn)	EXPORT
0057/20/08/80	SRI LANKAN CATERING LTD	Active	Water Charges	15,058,010.00	27,927.26	116,293.78
			Annual Fees	1,049,327.08		
			Import Export Service Charge	1,692,172.64		
			EPL-Licence and Inspection Fee	23,589.74		
Total				17,823,099.46	27,927.26	116,293.78

Mr. Sujeewa Mudalige

AGREEMENT NO	CUSTOMER NAME	STSTUS	MODE	AMOUNT IN RS.	IMPORT Rs.(Mn)	EXPORT
5340/10/11/23	GALADARI HOTELS (LANKA) PLC	Active	Annual Fees	3,383,964.63	87.74	-
1067/27/05/94	C I C FEED (PVT) LTD	Active	Annual Fees	2,278,513.19	3,458.24	-
1067/27/05/94/H1	C I C FEED (PVT) LTD	Active	Import Export Service Charges	14,051.29		
			Licence Fee_ EPL	44,102.57		
Total				5,720,631.68	3,545.98	-

BOARD OF INVESTMENT OF SRI LANKA
PENDING LITIGATION AS AT 31.12.2024

SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
1	S.C. Appeal 104/2020	Supreme Court	B O I -Vs- Haikawa Industries (Pvt) Ltd. & 06 Others	Propack Shreiner (Pvt) Ltd. made an Application for the Winding Up by Court of Haikawa Industries (Pvt) Ltd. in terms of the Companies Act, No. 7 of 2007 in the Commercial High Court of Colombo. The Winding Up Order was made on 05.04.2013 to Wind Up the said Haikawa Industries (Pvt) Ltd. and the Liquidator was appointed by the Court. The Hon. High Court Judge by his Order dated 14.02.2018 has decided that the Liquidator is not rquired to give priority to BOI Dues, EPF, ETF and other Statutory Dues prior to settling the Dues owing and payable to State Bank of India and Indian Overseas Bank. The BOI has filed this Application in the Supreme Court against the said Order made by the Commercial High Court.	Payment of BOI Dues	Rs. 9,071,282.83
2	S.C. (SPL) LA 118/2018	Supreme Court	Logiwiz Ltd. -Vs- B O I & 03 Others	An Application bearing No. C.A. (Writ) 127/2018 was filed in the Court of Appeal against the Notice to Quit issued by the Divisional Secretary, Katana (1st Respondent) to Logiwiz Ltd. under the State Lands (Recovery of Possession) Act in respect of a portion of land of which both the State and the Petitioner are claiming Ownership. The said Case was dismissed by the Court of Appeal on 06.04.2018 and the Petitioner has filed this Application (Special Leave to Appeal) in the Supreme Court to set aside the said Final Judgement.	No Relief sought from BOI	—

BOARD OF INVESTMENT OF SRI LANKA
PENDING LITIGATION AS AT 31.12.2024

SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
3	S.C. Appeal 111/2020	Supreme Court	Conservator General of Forests & 04 Others -Vs- B O I & Merbok M D F Lanka (Pvt) Ltd.	An Application (Special Leave to Appeal) was filed in the Supreme Court by the Conservator General of Forests, Director General of Customs & 2 Others against the Final Judgement of the Court of Appeal dated 08.03.2019 in Case No. C.A. (Writ) 49/2016 [which Application was filed by the Petitioner - Merbok M D F Lanka (Pvt) Ltd. seeking to quash the Letter marked P25 whereby the Conservator General of Forests directed the Petitioner to obtain, in terms of *"the Gazette Notification No. 1161/6 dated 15.12.2000* marked P19, Export Permit for the exportation of consignments of MDF (Medium Density Fibre) Boards mainly made of rubber wood] wherein the Court of Appeal held that, for the time being, there is no law, which required Export Permit to be obtained for the exportation of timber or forest produce, and therefore P25 decision of the Conservator General of Forests is *ultra vires and the same was quashed by* Certiorari.	No Relief sought from BOI	—
4	S.C. (SPL) L.A. 232/2019	Supreme Court	Upali Ananda Gunasinghe -VS- B O I & 06 Others	An Appeal (Special Leave to Appeal) was filed by the Petitioner in the Supreme Court to set aside the Final Judgement dated 22.05.2019 of the Court of Appeal in Case No. C. A. (Writ) 455/2015 which was filed against the Withdrawal of the Approval granted by the BOI to Lease a 20 Perch Land in the Service Area of Koggala Export Processing Zone (KgEPZ) of the BOI to Construct and Operate a Cafetaria on the ground that the extablished state procurement procedure had not been followed and no Tenders had been called for.	To execute the Lease Agreement in respect of 20 Perch Land situated in the Service Area of KgEPZ of the BOI to Construct and Operate a Cafetaria.	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
5	S.C. (SPL) L.A. 297/2019	Supreme Court	H.V.A. Farms (Pvt) Ltd. -Vs- BOI & 08 Others	An Appeal (Special Leave to Appeal) was filed in the Supreme Court to set aside the Final Judgement dated 02.07.2019 of the Court of Appeal in Case No. C. A. (Writ) 469/2015 which was filed seeking *inter alia* a Writ of Mandamus directing Divisonal Secretary - Wanathawilluwa (3rd Respondent), District Secretary - Puttalam (4th Respondent), Commissioner of Lands of the North Western Province (5th Respondent), Commissioner General of Lands (6th Respondent), Minister of Lands (7th Respondent), Minister of Wild Life (8th Respondent) to grant a Lease to the Petitioner in respect of the 25 Acre State Land where the Pilot Project of the Petitioner is carried out.	No Relief sought from BOI	—
6	S.C. (Writ) 06/2021 (Connected with S.C. Writ 07-2021)	Supreme Court	A. M. S. Fernando & 13 Others -Vs- BOI & 14 Others	Writ - to quash *inter alia* the decisions contained in Gazette bearing No. 2248/44. The BOI has been named as a party only because the BOI has entered into an Agreement with Asian Logistics Park (Pvt) Ltd.	No Relief sought from BOI	—
7	S.C. (FRA) 346/2021 (Connected with S.C. Writ 07-2021)	Supreme Court	A. M. S. Fernando & 13 Others -Vs- BOI & 14 Others	Fundamental Right (FR) - to quash *inter alia* the decisions contained in Gazette bearing No. 2248/44. The BOI has been named as a party only because the BOI has entered into an Agreement with Asian Logistics Park (Pvt) Ltd.	No relief sought from BOI	—
8	S.C. (FRA) 71/2022	Supreme Court	B. A. Manilal Ranasinghe -Vs- BOI & 03 Others	Fundamental Right (FR) - filed by a former employee of the BOI *inter alia* stating that there is a violation of the Fundemental Rights under Article 12(1) and 14(1)(g) Constitution; for a Judgment that the Petitioner's termination dated 29.06.2021 is unreasonable, capricious, and arbitrary and is in violation of the Petitioner's Fundamental Rights guaranteed to him by Article 12(1) and 14(1)(g) Constitution	Reinstatement in service as Deputy Director (Investment) of the BOI and compensation in a reasonable sum.	Compansation in a reasonable sum

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
9	S.C. (FRA) No. 236/2022	Supreme Court	Thushara Sisira Kumara -Vs- BOI & 05 Others	Fundamental Right (FR) - filed by a BOI employee, a Fire Fighter (Grade II) against the BOI alleging that he was not promoted to his next Level of Promotion, i.e. the Post of Fire Officer - JM 1-1 - GR. 11 to fill the vacancies at Seethawake Export Processing Zone (SEPZ)/ Katunayake Export Processing Zone (KEPZ) in violation of the Fundamental rights guaranteed to the Petitioner under Articles 12(1), 12(2) and (14)(1)(g) of the Constitution	Issue Order directing all Respondents to promote the Petitioner to Grade 11 JM 1-1 Fire Officer Grade w.e.f. 04.06.2022; Issue Order directing Respondents to pay back wages pertaining to the Grade 11 JM 1-1, Fire Officer Grade w.e.f. 04.06.2022; and Compensation to the Petitioner in such amounts deemed just and equitable to the Supreme Court for the violation of his said rights.	Back wages; snd Compensation to the Petitioner in such amounts deemed just and equitable to the Supreme Court for the violation of his said rights
10	S.C. (CHC) No. 20/2021	Supreme Court	Star Clothing International (Pvt) Ltd -Vs- Lincoln Chandrasoma Piyasena (Liquidator); Labour Commissioner, Labour Department; and BOI	An appeal was filed by Star Clothing International (Pvt) Ltd. in the Supreme Court against the Judgement dated 18.09.2020 of the Commercial High Court Case bearing No. CHC 36/2012 CO wherein Capital Consolidated Lanka (Pvt) Ltd. made an Application for the Winding Up by Court of MAC Supply Chain Solutions (Pvt) Ltd. in terms of the Companies Act, No. 7 of 2007.	No relief sought from BOI	—
11	S.C. Appeal No. 124/2023	Supreme Court	B O I -Vs- Million Garments (Pvt) Ltd.	An appeal filed by the BOI in the Supreme Court against the Order of the Court of Appeal Case bearing No. RII 08/2016 dated 18.05.2023 which states that the said RII Case could be heard without waiting for the Final Determination of the Criminal Appeal Case No. CA/HCC/0237/2020 against the conviction of Mr. Ranjith Amarasinghe, Managing Director of Million Garments (Pvt) Ltd.	Releif soughted under Item No. 35	Releif sought under Item No. 35

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
12	S.C. Appeal 59/2017	Supreme Court	Sinharaja Plantation Organic (Pvt) Ltd. -Vs- Land Reform Commission; BOI; and 02 Others	An Appeal was filed by the Petitioner from the Final Judgement dated 09.11.2010 of the Court of Appeal, which dismissed the Application of the Petitioner-Petitioner above-named by which Writs of Certiorari were sought, to quash trhe decisions and / or determinations of the Land Reform Commission to refund the advance payments collected from the Petitioner for the alienation of the land, which is the subject matter of this Application, *inter alia* in violation of the Petitioner's legitimate expectation to have the said land alienated, and also to quash the Certificate of Title which had been purportedly issued to the Sri Bodhiraja Dharmayathana Foundation, in respect of a substantial portion of the same land, contrary and ultra vires the applicable provisions of the Land Reform Law No. 1 of 1972, and the applicable circulars.	No relief sought from BOI	—
13	S.C. (SPL) LA 147/2024	Supreme Court	Simmet (Pvt) Ltd. & 02 Others - Vs- BOI & 16 Others	An Appeal was filed by the Petitioners in the Supreme Court against the Final Judgement of the Court of Appeal Case bearing No. C.A. (Writ) 95/2021 dated 05.04.2024	The Petitioners are seeking permission from Ministry of Industries and Department of Imports and Exports Control to export the remaining quantity of already manufactured Copper Sheets.	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
14	S.C. (FR) 125/2024	Supreme Court	Wildlife and Nature Protection Society of Sri Lanka -Vs- Sri Lanka Sustainable Energy Authority, CEA, CEB, Minister of Power & Energy; DG/BOI & 41 Others	This FR application was filed against the establishment of Mannar Wind Power project alleging that its illegal null and void and Fundamental Rights of the people of Sri Lanka guaranteed by Article 12(1) of the Constitution have been infringed.	Pleading, among others, an interim order restraining the Respondent including 36th Respondent (DG/BOI) from issuing any permits or approvals to engage or carry on the wind power project in the Mannar island. If any permits or approvals are already granted, issue an interim order staying the same until the final determination of this	—
15	S.C. (FR) 149/2024	Supreme Court	Environmental Foundation (Guarantee) Limited -Vs- DG/BOI & 40 Others	This FR application was filed against the establishment of Mannar Wind Power project alleging that its illegal null and void and Fundamental Rights of the people of Sri Lanka guaranteed by Article 12(1) of the Constitution have been infringed.	Pleading, among others, an interim order restraining the Respondent including 36th Respondent (DG/BOI) from issuing any permits or approvals to engage or carry on the wind power project in the Mannar island. If any permits or approvals are already granted, issue an interim order staying the same until the final determination of this	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
16	S.C. (FR) 167/2024	Supreme Court	Rev. Dr. F.L.E.F.X. Bastian & 03 Others -Vs- BOI & 66 Others	This FR application was filed against the establishment of Mannar and Pooneryn Wind Power project alleging that its illegal null and void and Fundamental Rights of the people of Sri Lanka guaranteed by Article 12(1) of the Constitution have been infringed.	Pleading, among others, an interim order restraining the Respondent including 36th Respondent (DG/BOI) from issuing any permits or approvals to engage or carry on the wind power project in the Mannar island. If any permits or approvals are already granted, issue an interim order staying the same until the final determination of this	—
17	S.C. (FR) 152/2024	Supreme Court	Centre for Environmental -Vs- Justice (Guarantee) Ltd & 04 Others -Vs- DG/BOI & 32 Others	This FR application was filed against the establishment of Mannar Wind Power project alleging that its illegal null and void and Fundamental Rights of the people of Sri Lanka guaranteed by Article 12(1) of the Constitution have been infringed.	Pleading, among others, an interim order restraining the Respondent including 36th Respondent (DG/BOI) from issuing any permits or approvals to engage or carry on the wind power project in the Mannar island. If any permits or approvals are already granted, issue an interim order staying the same until the final determination of this	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
18	S.C. (FR) 175/2024	Supreme Court	Shavindranath Fernando & 02 Others - Vs- BOI & 31 Others	This FR application was filed against the establishment of Mannar Wind Power project alleging that its illegal null and void and Fundamental Rights of the people of Sri Lanka guaranteed by Article 12(1) of the Constitution have been infringed.	Pleading, among others, an interim order restraining the Respondent including 36th Respondent (DG/BOI) from issuing any permits or approvals to engage or carry on the wind power project in the Mannar island. If any permits or approvals are already granted, issue an interim order staying the same until the final determination of this	—
19	S.C. (FR) 237/2024	Supreme Court	H.M. Wasantha Samarasinghe -Vs- Commissioner General of Lands, BOI & 18 Others	This FR Application was filed as a Public Interest litigation against the State for leasing out a state land to Eam Maliban Textiles (Pvt) Ltd. (A BOI Registered Company)	No specific relief sought from BOI	—
20	C.A. (RII) 08/2016	Court of Appeal	B O I -Vs- Million Garments (Pvt) Ltd	Seeking a Restitutio-in-Integrum of the position before the pronouncement of judgment in HC/ARB/1254/02 to recover approx Rs. 102 Million Board owned money seized from BOI account.	This is a case filed by the BOI and BOI is seeking to reobtain a sum of Rs. 102,138,350 seized by the Commercial High Court from a BOI account for the enforcement of a forged arbitral award pronounced against the BOI.	Releif soughted under item No. 35
21	C.A (Writ) 465/2015	Court of Appeal	Edna Cocoa Products (Pvt) Ltd - VS- B O I & 02 Others	To obtain a Writ against the Sri Lanka Customs on an issue arising from disposel of its goods in the local market.	No relief sought from BOI	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
22	C.A. (Writ) 386/2016	Court of Appeal	Asiri Surgical Hospitals PLC -Vs- B O I & 02 Others	Asiri Surgical Hospitals (Private) Limited filed an action against the BOI and Two others seeking for reliefs against the several decisions taken by the Commissioner General of Inland Revenue (01st Respondent) and for an Interim Order preventing from recovering from the Petitioner any sums on the basis that the Petitioner has defaulted in paying income tax for the years of assessment from 2005/2006 to 2013/2014.	No relief sought from BOI	—
23	C.A. (Writ) 307/2008	Court of Appeal	MTV Channel (Pvt) Ltd -vs- Director General of Customs & 03 Others	The writ application with regard to the purpoted Customs Inquiry No. CIB/INV/25/2007/CIB/1523	No relief sought from BOI	—
24	C.A. (Writ) 269/2021	Court of Appeal	Eco Homes Lanka (Pvt) Ltd -Vs- BOI & 03 Others	Eco Homes Lanka (Pvt) Ltd has filed a Writ Application against BOI and 03 others inter-alia challenging the cancellation of the Deed of Transfer by the National Housing & Development Authority and cancellation of the Development Permit issued by the Sri Jayawardenepura Kotte Municipal Council of their Project Site at Kirimandala Mawatha, Narahenpita.	No relief sought from BOI	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
25	C.A. (Writ) 274/2021	Court of Appeal	CEAT Kelani Holdings (Pvt) Ltd -Vs- BOI & 08 others	This writ application was filed by the Petitioner against the BOI regarding the concesion given/ attemting to give to Ferrentino Tyre Corporation (Pvt) Ltd	The Petitioner in its Writ Application pleaded the court to issue a Writ of Mandamus directing the BOI to direct the company in writing that the company is entitled to sell only 20% of the total quantity exported in the local market and to export 80% of its production as stipulated in the Agreement and Writ of Prohibition restrating the BOI from alerting or waiving in any manner whatsever the mandatory requirment of export of 80% of the total production and if they failed to do so, withdraw all the concessions granted.	—
26	C.A. (Writ) 642/2021	Court of Appeal	WMPH Holdings Inc. & 02 Others -Vs- BOI & 04 Others	Writ application has been filed by WMPH Holdings (Pvt) Ltd against the State and BOI has been made a Respondent as BOI has issued a Letter of Approval to the Project. No Agreement has been signed between the Company and BOI.	Writs of certiorari and writ of mandamus aganist the Respondents.	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
27	C.A. (Writ) 428/2022	Court of Appeal	Horana Plantation PLC -Vs- BOI & 03 Others	Petitioner is entitled in law to obtain a Mandate in the nature of Writ of Prohibition, prohibiting the (1st Respondent) Land Reform Commission (LRC), the 2nd Respondent (BOI), from claiming and/or from receiving any compensation payable in respect of the acquisition of any part of the Neuchatel Estate and also to obtain a Writ of Prohibition, prohibiting the the 2nd Respondent (BOI) and/or 3rd Respondent, Divisional Secretary Millaniya from paying any compensation payable in respect of any acquisition of any portion of Neuchatel Estate to the 1st Respondent (LRC) since according to the Petitioner is with the vesting of the said estate under section 27(1) of the Land Reform Law in the Sri Lanka State Plantation Corporation (SLPC) , the Land Reform Commission (LRC) ceased to be the owner thereof and the Land Reform Commission since then has no right or title to any part of Neuchatel Estate whatsoever, the title of which now stands vested in the State Plant Corporation.	1. To grant and issue a Mandate in the natur of a Writ of Prohibition, prohibiting the 1st Respondent (LRC) and all officers of the 1st Respondent, from claiming and/or receiving any compensation payable in respect of any acquisition of any portion of the Neuchatel Estate from the 2nd Respondent (BOI) and/or 3rd Respondent (Divisional Secretary Millaniya). 2. To grant and issue a mandate in the nature of the Writ of Prohibition, prohibiting the 2nd Respondent (BOI) and/or 3rd Respondent (Divisional Secretary Millaniya). from paying any compensation in respect of any acquisition of any part of the Neuchatel Estate, to the 1st Respondent (LRC).	—
28	C.A. (Writ) 148/2024	Court of Appeal	South Asia Gateway Terminals (Pvt) Ltd. -Vs- BOI & 05 Others	The Petitioner has filed the Case calling that the detention of the re-exportation of the third shipment by the Sri Lanka Customs which contained of 30 containers of dismantled components of cranesdespite the same procedure being followed by the Petitioner ie. South Asia Gateway Terminals (Pvt) Ltd is unreasonable.	No relief is sought against the BOI in the prayer other than to examine the records maintained by the BOI in this connection.	—
29	C.A (Writ) 444/2015	Court of Appeal	U.T.M.T Resort (Pvt) Ltd -VS- BOI & 06 Others	To obtain a writ quashing the quit notice issued by the National Housing Development Authority. BOI has been made a party for notice purpose only.	No relief sought from BOI	—

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PENDING LITIGATION AS AT 31.12.2024

SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
30	C.A (Writ) 507/2024	Court of Appeal	Tsukasa Kobo Co (Pvt) Ltd & Another -Vs- BOI & 41 Others	This Writ Application filed by matter Tsukasa Kobo Company (Pvt) Ltd ("The Petitioner") entered into an Agreement with the BOI bearing No.338 dated 23rd December 2009 attested by H L V S E Silva of Colombo Notary Public as amended by Supplementary Agreements No.01 dated 04th April 2013 attested by Y Wanasinghe of Colombo Notary Public and No.4 dated 26th November 2015 attested by D M Baranage of Colombo Notary Public ("the BOI Agreement") to undertake mining of Silica Quartz and export of value added Silicon Quartz products on a land situated at Mahagama, Sevanagla which Agreement has been terminated on 07th September 2023 by the BOI having noted the failure of the Petitioner to comply with the terms and conditions of the BOI Agreement. The Petitioner has instituted a CA (Writ) Application No.507/2024 in terms of Article 140 of the Constitution, seeking inter alia: • A mandate in the nature of a writ of Mandamus directing the 25TH Respondent (the BOI), (26th, Respondent Chairman of the BOI),27th Respondent (Director General BOI) to facilitate the petitioners to recommence the mining project according to law; • A declaration that the Petitioners are entitled to carry out the mining project based on the approvals already granted; and • Orders directing the Respondents to provide the information contained the schedule to the Petition to the above mentioned Writ Application No.507/2024.	Prayed for writ of Mandamus directing the BOI, Chairman and the Director General to facilitate the Petioners to recommence the mining project according to Law.	—
31	C.A. (Writ) 464/2024	Court of Appeal	J A M S Chandima Jayawardena -vs- BOI & 27 Others	This Writ application was filed against the establishment of Mannar Wind Power project and the Petitioner prayed for Writ of Certiorari Quashing Cabinet Decision on the above Project and Writ of Prohibition restraining the Respondents from excuting the Cabinet Decision and from entering into PPA with Adani Green Energy Sri Lanka Limited.	No specific relief sought from BOI	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
32	C.A. (Writ) 692/2024	Court of Appeal	Lanwa Sanstha Cement Corporation (Pvt) Ltd -Vs- BOI & 06 Others	This Writ Application filed by LANWA SANSTHA CEMENT CORPORATION (PRIVATE) LIMITED ('the Petitioner'), against the Central Environment Authority -CEA (the 1st Respondent), the BOI (the 3rd Respondent) and 5 others including the Director General-BOI, alleging that: - (a) the failure and neglect of the 1st and 3rd Respondents to fulfil the mandatory statutory duty to protect the environment and enforce the law against Hambantota International Port Group (Pvt) Ltd (the 5th Respondent): and also (b) the failure to prosecute SIAM CITY CEMENT LANKA LIMITED (the 6th Respondent) for polluting the atmosphere and environment by unloading and transporting clinker within the premises of the Hambantota International Airport, has caused and continues to cause serious environmental damage to the area and the health and safety of the people living and working in the area, including employees of the Petitioner's Company.	(a) the failure and neglect of the 1st and 3rd Respondents to fulfil the mandatory statutory duty to protect the environment and enforce the law against Hambantota International Port Group (Pvt) Ltd (the 5th Respondent): and also (b) the failure to prosecute SIAM CITY CEMENT LANKA LIMITED (the 6th Respondent) for polluting the atmosphere and environment by unloading and transporting clinker within the premises of the Hambantota International Airport, has caused and continues to cause serious environmental damage to the area and the health and safety of the people living and working in the area, including employees of the Petitioner's Company.	—

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SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
33	C.A. (Writ) 656/2024	Court of Appeal	Amber Adventures (Pvt) Ltd -Vs- BOI & 06 Others	Board of Investment of Sri Lanka ("the BOI"); and 5 Others, wherein the BOI has been named as the 6th Respondent. The Court of Appeal issued an Interim Order against the 1st Respondent, Athma Dilrukshi Jayarathne, Divisional Secretary, Divisional Secretariat, Udapalatha, Gampola as prayed for in Paragraph "G" of the Prayer to the Petition dated 14.10.2024 which is still in force. However, the BOI has been made a party to the captioned Application only for the purpose of notice and as the said Company is a BOI approved Company under the Section 17 of the Board of Investment Law, No.4 of 1978 and "THE SCOPE OF THE INSTANT APPLICATION" is stated as follows at Paragraph "4" of the Petition: "4. The Petitioner states that in the present application, the Petitioner seeks to impugn inter-alia the illegal and unlawful interference of the 1st Respondent Divisional Secretary hindering the operation of the Petitioner's project to build, operate and transfer a 'Cable Car Project' [hereinafter referred to as the 'said project'] as morefully set out hereinunder and related determination and/or determinations therein."	No relief sought from BOI	—
34	C.A. (Writ) 767/2024	Court of Appeal	W.M.A. Fernando & 03 Others -Vs- BOI & 09 Others	The writ application was filed by the Petitioners against the Commissioner General of Lands and BOI and 8 Others against the decision of the National Housing Development Authority to allocate the land occupied and developed by the Petitioners to a Third party.	No claim from BOI	—
35	H.C. (ARB) 1254/2002	Commercial High Court	Million Garments (Pvt) Ltd -vs- BOI	Million Garments (Pvt) Ltd filed an enforcement action against the BOI to enforce an arbitral award for a payment of Rs. 37,200,000	Rs. 37,200,000+ interest	Rs. 102,138,350/-
36	HC Civil 54/2014 CO	Commercial High Court	Rusirumal (Pvt) Ltd. (Liquidation)	The company which is in liquidation has paid the dues owed to BOI amounting Rs.3,115,865.32 as per the claim lodged with the Liquidator dated 27.03.2018. The further amount of water bill which is at Rs 6,101,702.00 lodged with the Liquidator is still pending.	Dues owed to BOI for water bills	Rs. 6,101,702/-

BOARD OF INVESTMENT OF SRI LANKA
PENDING LITIGATION AS AT 31.12.2024

SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
37	CHC 73/2021 CO	Commercial High Court	Paul Andrew Dwyer -Vs- BOI & 06 others	Case against to the Second Director of the Company	No Claim	—
38	CHC 664/2019 MR	Commercial High Court	I.P. Sirithilake -Vs-	This has filed by person who was in the EPZ, Wathupitiwala before the Ejection stating he has lost 50 Mn. Since BOI.	Rs. 50,000,000/- as compensation for socalled lost.	Rs. 50,000,000/-
39	CHC 1680/2023 ARB	Commercial High Court	Merbok Resources Lanka (Pvt) Ltd -Vs- BOI	Merbok Resources Lanka (Pvt) Ltd filed a Case to set aside the Arbitral Award delivered in favour of the BOI dated 31.10.2023.	Arbitral Award determined that the BOI validly terminated the Agreement entered into with Merbok Resources Lanka (Private) Limited (Merbok Resources) and an order was issued for Merbok Resources to pay the BOI costs amounting to Rs. 14,720,996/-.	Rs. 14,720,996/-
40	CHC 1266/2024 ARB	Commercial High Court	BOI -Vs- Merbok Resources Lanka (Pvt) Ltd.	BOI filed a Case to enforce the Arbitral Award delivered in favour of the BOI dated 31.10.2023.	To make an Order for the enforcement of the Arbitral Award dated 31 October 2023 and give Judgment according to the said Award and to hand over the possession of the land and premises described in the Schedules to the Supplementary Lease Agreement dated 21 January 2016 (Demised Premises) to the Petitioner;	Releif soughted under item No. 39

BOARD OF INVESTMENT OF SRI LANKA
PENDING LITIGATION AS AT 31.12.2024

SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
41	D.C. Colombo DMR 02244/2015	District Court, Colombo	Stirling Group Lanka (Pvt) Ltd	Stirling Group Lanka (Pvt) Ltd has instituted this action against BOI praying inter alia to direct the BOI to release the sum of Rs. 18,285,800 which was withheld by the BOI, and the said amount is the outstanding worker terminal benefits (compensation) due to the employees as determined by the Commissioner General of Labour	For an Order directing the BOI to release the sum of Rs. 18,285,800/- which was withheld by the BOI, and the said amount is the outstanding worker terminal benefits (compensation) due to the employees as determined by the Commissioner General of Labour.	Rs. 18,285,800/-
42	D.C. Gampaha 2165/L	District Court, Gampaha	M.M.M. Smyle -vs- BOI	For a declaration that the ownership of the disputed land is vested with the Plaintiff and that the State has not acquired the land under Section 44 of the Land Acqusition Act. BOI has taken the defence that the lands were acquired by the State and then granted to BOI.	Claim of BOI owned Land in extent 11 Acres and 2 Roods at the BEPZ.	—
43	D.C. Colombo 5153/SPL	District Court, Colombo	Dimo International Ltd - Winding up case.	Case filed by the liquidaters of Dimo International Ltd.	No claim from BOI	—
44	D.C. Attanagalla 4200/M	District Court, Attanagalla	D.S. Kithsiri Bandara -Vs- BOI & 02 Others	As BOI owned Double Cab (WP PH-3080) met with an accident on 15th June, 2021 at Meerigama-Pasyala Road, during the Covid-19 pandemic. A motocylist has hit the rear side of the cab and it was an fatal accident. After two years BOI received the summons of this case filed by the Family Members of the Victim (the death) to obtain Rs. 10,000,000/- as compensation. BOI have handed over this matter to Sri Lanka Insurance Corporation on bahalf of BOI, 2nd Respondent and proxy has signed with Ms. Dilhara Kabulumulla, Attorney-at-Law.	Rs. 10,000,000/- as compenastion.	Rs. 10,000,000/-
45	D.C. Hambantota M 25/24	District Court, Hambantota	Lakshman Varuni Amarakoon Dissanayake & 23 Others -Vs- BOI	Case filed against the BOI by 24 Petitioners claiming Rs. 200,000,000/- as compensation from the BOI for the lands acquired by the State to establish an Export Processing Zone.	Compensation	Rs. 200,000,000/-

BOARD OF INVESTMENT OF SRI LANKA
PENDING LITIGATION AS AT 31.12.2024

SR. NO.	CASE NO.	COURT	PARTIES	CASE DESCRIPTION	CLAIM DESCRIPTION	CLAIM AMOUNT
46	D.C. Mahara 171/L	District Court, Mahara	A.M. Abdul Samad & Another -Vs- Director (BEPZ) & 10 Others	1-10 Defendants have not accepted the Northern & Eastern bounderies of the land belong to the Plaintiff mentioned in the 1st schedule to the Plaint.	1.Declare the Co-ownership for the Land describe as Lot 1 in first schedule to the Plaint. 2.Declaration of title of Lot 2 in first schedule to the Plaint of the Plaintiff. 3.To evit defendants and it's descendants from the property mentioned in first schedule to the Plaint and obtain clear possession. 4.To clear the title of the right of way of Lots 1 and 2 mentioned in schedule to the Plaint. 5.To declare that the right of way should belong to the Plaintiff over and along the essential right of way mentioned in 2nd schedule to the Plaint.	—

Report of the Auditor General 2024

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தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE

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எனது இல.
My No. TIP/B/BOI/FA/2024/08 | ඔබේ අංකය
உமது இல.
Your No. | දිනය
திகதி
Date 16 October 2025

Chairman

Board of Investment of Sri Lanka

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Board of Investment of Sri Lanka for the year ended 31 December 2024 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

The above mentioned report together with the Audited Financial Statements is sent herewith.

G.H.D. Dharmapala

Auditor General (Actg)

Copy to: The Secretary, Ministry of Finance, Planning and Economic Development

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.

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ජාතික විගණන කාර්යාලය
தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No. TIP/B/BOI/FS/2024/08 | ඔබේ අංකය / உமது இல. / Your No. | දිනය / திகதி / Date 16 October 2025

Chairman
Board of Investment of Sri Lanka

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Board of Investment of Sri Lanka for the year ended 31 December 2024 in terms of Section 12 of the National Audit Act, No. 19 of 2018

1. Financial Statements

1.1 Opinion

The audit of the financial statements of the Board of Investment of Sri Lanka ("Board") for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the income statement and comprehensive income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No.38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Board as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

1.2 Basis for Opinion

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 my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Other information included in the Board's 2024 Annual Report

The other information comprises the information included in the Board's 2024 Annual Report, but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report. Management is responsible for the other information.

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව | இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. | No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.
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My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Board's 2024 Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution that will be tabled in due course.

1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Board is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Board.

1.5 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 judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.

- Obtain an understanding of internal control relevant to the audit 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 Board's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

- 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 those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 include specific provisions for following requirements.

2.1.1 I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Board as per the section 12 (a) of National Audit Act, No. 19 of 2018.

2.1.2. The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained which limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body of the Board has any direct or indirect interest in any contract entered into by the Board which are out of the normal course of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018;

2.2.2 to state that the Board has not complied with any applicable written law, general and special directions issued by the governing body of the Board as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for:

	Reference to Laws, Rules and Regulations or Directions Issued by the Governing body	Non-compliance
(a)	Section 23A of National Environment Act No. 47 of 1980	In accordance with provision of the Act, Board should have to obtain a valid Environmental Protection License (EPL) for each zone having a Common Waste Water Treatment Plant (CWWTP). However, the Board had not renewed the EPL for eight zones.
(b)	Section 20A by the amendment to the Greater Colombo Economic Commission Act, No. 49 of 1992	No power, duty or function under the National Environmental Act shall be exercised, performed or discharged by the Board without prior consultation with, and the required concurrence of, the Central Environmental Authority (CEA). However, the Board had not obtained the required concurrence of CEA before issuing the Environmental Protection Licenses relevant for 210 enterprises operating in 10 Zones/ Parks even as at 11 March 2025.
(c)	Public Enterprises Circular 01/2021 dated 16 November 2021- Operational Manual for State Owned Enterprises	
	(i) Section 3.1 & 3.2	Without obtaining the approval from the General Treasury, the Board had paid allowances amounting to Rs.453,747,557 for the employees during the year under review.
	(ii) Section 6.6	The financial statements of the Board for the year under review had been submitted to the Auditor General on 19 May 2025 with a delay of 79 days.

(d)	Public Enterprises Circular PED No. 01/2024 dated 28 February 2024	
	(i) Paragraph 5.1	Funds of the Board should not be transferred to the employees' welfare societies or for other forms of welfare related activities, such as death donations, scholarships for children and similar purposes. However, contrary to that the Board had incurred a sum of Rs.5,205,120 as funeral assistance during the year 2024.
	(ii) Paragraph 12.1	The board had incurred a sum of Rs.3,000,000 as media and special projects bureau at Sri Dalada Maligawa for the Kandy Asala Perahera, while having suspension of all forms of sponsorships, donations, Corporate Social Responsibility expenses, and non – business – related promotional expenditures.
(e)	Section 3.2 & 3.5 of National Procurement Agency's Guidelines August 2007 on Selection and Engagement of a Consultancy Firm	A Consultancy Organisation shall be selected through a competitive process or the long list of consultants may be prepared. However, one firm had been appointed as the consultant for Integrated Accounting Software System in 2014 without following any procurement process.

2.2.3 to state that the Board has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018;

2.2.4 to state that the resources of the Board had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

3. Other Matters

(a) According to Section 3(c) of the Board of Investment Act No. 4 of 1978, one of the key objectives of the Board is to encourage and promote foreign investment and as per to the project status report, a total of 2,707 agreements related to investment projects, both within and outside the Zones, had been in force from 01 January 1978 to 31 December 2024. Out of these total agreements, 556 projects with an estimated foreign investment value of US$ 4,797.28 million had been expected As at 31 December 2024. However, information were not available with the Board whether these investments were actually received or not.

(b) As at 31 December 2024 total dues including annual fee, ground rent, building rent from BOI approved enterprises were Rs.1,843,503,223. This represents an increase of 25 percent compared to the corresponding amount in the preceding year. Out of this an amount of Rs.383,815,599 had remained outstanding over four years. The outstanding dues in ground rent from enterprises located in land of the Board was Rs.777,003,690 and out of that a sum of Rs.314,827,372 or was attributable to a single enterprise. Further, ground rent, annual fee and building rent of Rs.292,308,353 had remained outstanding from 419 investors whose business operations have already been ceased.

(c) During the year under review, a provisions for impairment of annual fee from BOI approved enterprises were to Rs.356,283,938 and out of that, a sum of Rs.350,318,468 had been recorded as capital losses. However, the Board had not taken action to recover these outstanding balances.

(d) The outstanding miscellaneous income receivable was Rs.58,471,296 and out of that a sum of Rs.37,412,573 receivable from a single enterprise had remained outstanding over five years, without having recovered.

(e) As at 31 December 2024, an amount of Rs.94,614,054 of 19 General Projects and Rs.228,956,908 of Special Projects had remained as capital working progress over three years, and the Board had not adequately monitored the current status of these projects.

(f) According to the ground rent schedule provided by the Board, different the ground rent per acre had been charged from enterprise for the year under review enterprise within same zone. Further, it was observed that Board had charged ground rent to certain enterprises in the export processing zones or industrial parks rates below the minimum levels as mentioned in Gazette Notification No;2260/77 dated 01 January 2022.

(g) As per the information provided for audit, no rent agreement had been signed for thirty six buildings rented out by the Board during the year under review. Further, out of the buildings rented out, eight institutions were continued to occupy the buildings at Katunayaka Zone without valid extension of their rent agreements.

(h) An amount of 1,833.69 acres of land within 13 BOI zones and parks had remained vacant. Additionally, 785.11 acres of non-zonal lands which located outside the zones and parks were also identified as vacant. Accordingly, it was observed that a total of 2,618.8 acres of land owned by the Board had remained unutilized as at 31 December for the year under review. Notably, a significant portion of these vacant lands particularly in Bingiriya Phase II, Sooriyawewa, and Hambantota zones have remained unutilized, without generating any income for the Board or contributing any economic value to the country. Accordingly, it was observed that the Board had failed to effectively manage its lands for the benefit of the country.

(i) According to the action plan for the year under review, the targeted amount for direct foreign investment was Rs.1,304.7 million, however, the actual investment realized amounted to Rs.612 million. Accordingly, the achievement of the target was 47 percent. Further, direct foreign investment, which was Rs.1,076 million in 2022, had decreased to Rs.612 million by 2024, indicating a reduction of 43 percent.

(j) According to the project status report provided by the Board, it was observed that 63 enterprises had ceased their operations as at 31 December 2024, even though they are having valid agreements. The total realized investment from closed local and foreign enterprises were only US $ 0.024 million and the estimated employment from these enterprises were 13,285 and the actual number of employees as at 31 December 2024 were only 2,687. This indicates that the Board had failed to take adequate actions to resolve the issues related to these agreements and failed to attract investment and to generate employment opportunities.

G. H. D. Dharmapala

Auditor General (Actg)

Reply of the BOI on AG's Report 2024

2. Report on Other Legal and Regulatory Requirements

2.2.2

(a) Section 23A of National Environment Act No. 47 of 1980

Zone	Reasons for the Non-Availability of the EPL
1. Biyagama Export Processing Zone 2. Katunayake Export Processing Zone 3. Koggala Export Processing Zone	Since 1992, the practice for issuing Environmental Protection Licenses (EPLs) to industries located within the designated zones has been, that the Board of Investment (BOI) issues EPLs directly, without obtaining concurrence from the Central Environmental Authority (CEA). This arrangement was mutually agreed upon with the CEA at that time. However, the CEA has now informed that their concurrence is required for the issuance of EPLs to industries in these three zones as well. This matter was discussed with the Director General of the CEA on 22.01.2025, during which it was agreed to formalize the arrangement through a Memorandum of Understanding (MOU) between the BOI and CEA. Accordingly, the BOI shared a draft MOU with the CEA on 28.04.2025 and is currently awaiting their response.
4. Kandy Industrial Park	There was a compliance issue concerning one industry located within the Kandy Industrial Park related to the quality of treated wastewater. Additionally, the Environmental Protection License (EPL) for this industry had expired. The industry has since carried out the necessary rectification measures to address the wastewater treatment concerns and is currently awaiting the test results from the Central Environmental Authority (CEA). As per the information received from the CEA, once the industry is deemed eligible to obtain the renewed EPL, the Zonal EPL will also be considered accordingly.
5. Seethawake Export Processing Zone	The CEA has informed the BOI regarding the issues related with CWWT and the delay in the construction of the sludge pit, as outlined in their letter dated 04.06.2025. Accordingly, the BOI will submit the requested details for the renewal of the EPL.
6. Mirijjawila Export Processing Zone	RN Innovation Product (Pvt) Ltd has not been in operation recently. However, the Central Environmental Authority (CEA) has

Zone	Reasons for the Non-Availability of the EPL
	consistently advised the company to obtain a Scheduled Waste Management License (SWML). Accordingly, the company obtained the SWML on 27.03.2025. BOI has communicated this progress to the CEA on 20.06.2025 in support of our request to renew the Environmental Protection License (EPL). BOI is currently awaiting a response from the CEA regarding the renewal.
7. Horana Export Processing Zone	The CEA has conducted an inspection on 02.05.2025 to observe the progress of construction of the CWWTP. As outlined in their letter dated 03.06.2025, they have requested additional details. Accordingly, the BOI will submit the requested information for the renewal of the EPL.
8. Wagwaththa IZ	The Wagawattha Industrial Zone currently does not have a Centralized Wastewater Treatment Plant (CWWTP). Accordingly, individual industries within the zone are managing their wastewater in compliance with the guidelines issued by the Central Environmental Authority (CEA) and are operating under valid Environmental Protection Licenses (EPLs). The Board of Investment (BOI) submitted a request for an EPL for the zone by letter dated 02.08.2024, along with the required EPL application documents. However, no response has been received from the CEA to date. This matter was also brought up during the meeting held at the CEA on 03.04.2025. BOI is currently awaiting a response from the CEA regarding the pending EPL application.

(b) Section 20A by the amendment to the Greater Colombo Economic Commission Act, No 49 of 1992

BOI obtained CEA concurrence for issuing EPL for all industries located in all zones except Katunayak, Biyagama and Koggala.

(c) Public Enterprises Circular 01/2021 dated 16th November 2021 – Operational Manual for State Owned Enterprises

(i) Section 3.1 & 3.2

The amount of Rs. 453,447,557 mentioned above is in respect of two (02) incentive schemes. One incentive scheme was initially approved by the former President & then Minister of Finance, Mrs. Chandrika Bandaranaike Kumaratunga on 08.11.1996 in addition to the approval granted by the Board of Directors of the BOI.

The principal approval for the other incentive scheme was granted by the former Secretary to the Ministry of Policy Planning & Implementation and then Secretary to the Treasury Mr. R Paskaralingam on 01.11.1991 in addition to the approval granted by the Board of Directors of the BOI.

Further, the BOI has been making a great effort to obtain Treasury approval for the allowances paid to employees since 2020, but the matter has not been attended by the Treasury to date. This matter was referred to the approval of the Department of Management Services on 24.07.2020, then to the Secretary to the Treasury on 02.12.2021 and finally to the Department of Public Enterprises on 11.10.2023. Subsequently, 03 reminders were sent to the Department of Public Enterprises on 19.07.2024, 07.11.2024 and 07.05.2025. The Department of Public Enterprises has responded after 1 ½ years by their letter dated 23.06.2025 stating that they are not in a position to consider or grant approval for any payment or benefit scheme retrospectively as it falls outside the scope and policy mandate of that Department. As it was stated in the Section 3.2(i) of the Operational Manual for State Owned Enterprises that SOEs must submit their requests pertaining to pay structures and allowances for the approval of the Director General, Department of Management Services (DGDMS), arrangements are being made to send the allowances paid to BOI staff for the approval of the DGDMS.

Currently, the BOI is in the process of developing a two-year action plan with the support of subject matter experts towards unlocking the full potential of BOI. Having a metric-based measure to manage performance is a main focused area in the two-year action plan and, it will be submitted to the Board of Directors of the BOI for its approval. Once receiving the approval for the said two-year action plan, a comprehensive Performance Management System along with the performance based incentive scheme will be formulated.

(ii) Section 6.6

The financial statements of the Board have been submitted on or before the due date up to the year 2022. This practice was disrupted mainly due to the failure of the legacy of the IMAS system. Following the system disruption, the operational functions of the Finance Department were affected until the Oracle system went live in June 2024. The backlog for the six months was entered into Oracle while continuing day-to-day operations without delays. The reconciliation processes and reporting structures within the Oracle system are still being developed. These reasons have directly impacted the preparation of the financial statements for the year 2024.

(d) <u>Public Enterprises Circular PED No. 01/2024 dated 28th February 2024</u>

(i) Paragraph 5.1

Funeral assistance is not provided by the Board itself, but through the Contributory Funeral Assistance Scheme, which collects contributions from all members who are permanent employees of the Board, and provides assistance upon the death of a member, their spouse, unmarried children, or the parents of the member or their spouse.

(ii) Paragraph 12.1

The Board has granted the approval to donate Rs. 3,000,000.00 to Sri Dalada Maligawa to be utilized for the Kandy Esala Perahara 2024 with concurrence of the Secretary to the President and upon the request of the State Minster of the Investment Promotion. Relevant approvals and requested documents have been submitted.

(e) Section 3.2 & 3.5 of National Procurement Agency's Guidelines August 2007 on Selection and Engagement of a Consultancy Firm

Consultant for Integrated Accounting System was selected based on the recommendation of the Board. Board granted approval on 28.06.2013 to select E&Y or any other suitable qualified consultant to supervise, recommend, implement and train staff on the new system projects.

3. Other Matters

(a) Sec 3(c) of the BOI Act No. 4 of 1978

BOI collects realized investment (Foreign/Local) figures of its enterprises from various sources as follows:

(i) FDI/Local Investment Survey conducted by Stat Unit of the Research Department.

(ii) Share equity details via Bi-Annual Reports collected by the Monitoring Department.

(iii) Capital Goods imports through import data of ASYWORLD system

Therefore, availability of information on investments depends on the responses received from enterprises and the information is updated frequently. As such, the FDI and Local Investment data of the said 556 enterprises can be categorized as follows:

Clarification Category	**No. of Projects**
FDI/Local Investment figures of expansions are included in the FDI/Local Investment figures of the parent company	261
FDI figures are updated	118
Foreign share equity figures submitted via latest Bi-Annual Reports [As per the details submitted by the company via Bi-Annual reports]	40

Clarification Category	No. of Projects
Company has declared only local investment (Via FDI/LI Survey) /Local share equity (Via Bi-Annual submission) [As per the details submitted by the company via Bi-Annual reports]	85
FDI figures of Hambantota Intl Port Services Private Ltd is available under the company "Hambantota Intl Port Group (Pvt) Ltd"	1
Other Investment Data Sources:	
Investment as per the latest available Audited Finance Reports (Fixed Assets at Cost + Current Assets - Current Liabilities) - Foreign & Local investment breakdown is not available [As per the details submitted by the company via Audited Financial Statements]	16
Capital Goods Imports - Foreign & Local investment breakdown is not available	9
Investment data not available:	
Company is still Awaiting Implementation. No investment has been made yet	9
Agreement has been cancelled during the Project Implementation period. No investment has been made	1
Agreement has been cancelled after implementation. However, Company has not submitted information on investment made	1
Operation Suspended Project has not been implemented. No investment made	2
Operation Suspended after implementation. However, Company has not submitted information on investment made	2
FDI/Local Investment Data collection is in progress	11
Total	**556**

The details of the above table have been submitted to the National Audit Office separately in soft form.

(b) Following ground rent dues have been settled during the year 2025.

No	Name of the Enterprise	Amount (Rs.)	Remarks
1	Haikawa Industries Ltd	8,556,060/-	Settled on 14/03/2025
2	JSF Corporation (Pvt) Ltd	8,661,900/-	Settled in 2025 (Agreement cancelled)
3	Shore to Shore (Pvt) Ltd	9,371,978/-	Settled Rs.2,045,984/80 on 13/06/2025
4	Mas Active (Pvt) Ltd	6,740,352/-	Settled (WHT Certificate)
5	Skylift Container Depot & Log	15,254,380/-	Settled Rs.3,307,285/57 on 10/01/2025 Settled Rs.4,500,000/- on 01/08/2025 Settled Rs.4,500,000/- on 11/08/2025

No	Name of the Enterprise	Amount (Rs.)	Remarks
6	Central Polysacks (Pvt) Ltd	15,495,912/-	Paid on 30/06/2025 - Rs.5,657,275.36
7	Ruhunu Food (Pvt) Ltd	8,695,350/-	Paid on 03/03/2025
8	Heritage Premier Foods (Pvt) Ltd	20,827,859/-	Settled on 12/03/2025
9	Serendib Maritime (Pvt) Ltd	8,109,314/-	Paid on 03/01/2025
10	Global Auto Manufacturing (Pvt) Ltd	5,568,482/-	Paid on 15/01/2025
11	Jay Jay Textiles Lanka (Pvt) Ltd	84,623,078/-	Paid on 23/05/2025 – Rs.42,311,539.06 Paid on 24/07/2025 – Rs. 42,311,539.06

Lanwa Sanstha Cement Corporation – Outstanding Dues – Rs.314,827,372/-

Collection procedures are being applied for the collection of these dues. Several discussions have been held with Investor to recover & regularize the agreement.

Agreement cancelled enterprises had settled following dues during the year 2025:

No	Name of the Enterprise	Amount (Rs.)	Remarks
1	Haikawa Industries Ltd	8,556,060/-	Settled on 14/03/2025
2	Better World	227,467/21	Paid on 17/02/2025 - Rs.924,313.31
3	Jinadasa Marsylka (Pvt) Ltd	14,449/-	WHT balance cleared in 2025
4	Jinadasa Marsylka (Pvt) Ltd	144,485/-	WHT balance cleared in 2025

In addition, M/s Qiao Zhen Lanka International's dues of Rs.30,380,779/- may be settled at the time of transferring the land lot to a new investor.

Following balances are on delayed settlement charges.

Sri Lanka Cricket - Rs.151,695/-
Lanka Diamond Polishing Ltd - Rs. 664/-
A J Milton Lanka Ltd (cancelled) - Rs.197,637/-

The all dues collection procedures have been taken by the Finance Department and referred to Monitoring Department & Legal Department for further actions with regard to these outstanding amounts.

As there is no deposit against to settle this outstanding and action will be taken to write off the irrecoverable amounts of cancelled projects after taking all the procedures for collecting dues.

(c) Noted.

(d) Miscellaneous Income Receivable

The Director General (Corporate Affairs Division) of the Ministry of Finance was informed about this issue by the letter dated 20.01.2025. Accordingly, the Director General (Corporate Affairs Division) of the Ministry of Finance has informed the Secretary to the Ministry of Plantations and Community Infrastructure by the letter dated 29.01.2025 to instruct Janatha Estate Development Board (JEDB) to take necessary steps to resolve this issue expeditiously.

Also, as instructed by the Audit and Management Committee, when acquiring a land to settle debts, steps will be taken to ensure that a land is acquired to commensurate with the relevant value and can be used effectively for the activities of the Board of Investment of Sri Lanka.

(e) General Projects

Zone	Description of work	Amount (Rs.)	Remarks
Eravur	Construction of Internal Water Distribution System	18,932,400	Item capitalized
	Internal HT Line	21,136,447	Item capitalized
Mirigama	Consultancy Fee	1,343,826	Construction work is still in progress; after completion of the project, this amount can be capitalized.
Bingiriya	2 MVA Power Supply	2,500,000	Item capitalized.
	Acquired Additional Land - 25% advance pay	525,000	Land acquisition not yet completed after completion of land acquisition. This item can be capitalized
Head Office	Improvements to Main Access Road - Henegama	1,000,000	This amount of Rs. 1.0 Mn is an advance paid to PRDA for the improvements to Main Access road at Henegama. This project was not commenced and PRDA has agreed to set-off the advance obtained by them for this project from the amount due to them from other projects.
Head Office	Investment Approval Tracking System	2,210,720	* The re-implementation of the SWIFT system was submitted to the Procurement Committee for approval, as instructed by the Audit Department. * Since the agreement with the system developer expired over five years ago, the Procurement Committee advised obtaining

Zone	Description of work	Amount (Rs.)	Remarks
			a recommendation from the Ministry of Investment Promotion to proceed with the existing developer. * However, the necessary recommendation from the Ministry of Investment Promotion has not yet been received. * During a recent meeting with the Chairman and Director General, it was decided to put this project on hold until the National Digitization Programme is implemented. This system will then be integrated into the national Programme.
Mirijjawila	Modification of part of an electric fence	108,375	This item will be capitalized.
Mirijjawila	Survey charges for re-opening/demarcation of perimeter boundary at proposed Sooriyawewa IZ	50,000	Acquisition is still in progress, can be capitalized after completion of the acquisition.
Arabokka	25% of Land Value of 191 acres land – Arabokka	25,000,000	Acquisition is still in progress, can be capitalized after completion of the acquisition
Arabokka	Preparation of Survey Plan & cost estimate	320,306	Land at Mayurapura had not been vested with BOI, therefore incurred expenditure to be written off.
Arabokka	Obtain "O" survey diagram	34,987	
Biyagama	Acquisition of Land – Kanda Ismattha	1,437,500	Not capitalized until completion of land acquisition.
Biyagama	Survey charges	180,000	
Biyagama	Compensation for the Land – Kanda Ismattha	1,487,200	
Seethawaka	Designated consultancy fee for augmentation of water	2,500,000	The above three payments made under the contract for the augmentation of the Wastewater Treatment Plant at SEPZ pertain to an ongoing project. Upon completion of the project, the entire cost, including these payments, will be capitalized.
Seethawaka	Hiring backhoe loader	64,900	
Seethawaka	Design consultancy and project	12,177,748	

Zone	Description of work	Amount (Rs.)	Remarks
	management services for augmentation of WTP		
Horana	Design Consultancy and project Management services for augmentation of WWTP	3,604,646	Construction works are still in progress. After completion of this project, this amount can be capitalized.

Special Projects

Action will be taken to write-off or capitalize the amounts where necessary. Details are laid below:

No.	Project Name	Amount (Rs.)	Remarks
1	Godagama	3,632,803.00	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
2	Pasgoda	38,859.29	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
3	Galle Road	5,034,813.83	This is a land purchased by BOI. Subsequently the property acquired to the state through Act No. 43 of 2011 (Underutilized asset & Underperforming Enterprises). Cabinet granted approval to vest the property to UDA and UDA paid to BOI tribunal award of Rs. 423,360,000.00. This amount to be written-off.
4	Trincomalee	30,832,753.39	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
5	Agro Farm	14,937,916.08	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
6	Bellagaswewa I P – Hambantota	150,000.00	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
7	Hambantota	1,585,450.00	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
8	Puttalam	11,270,120.73	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
9	Atchuvely	4,008,835.82	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.

No.	Project Name	Amount (Rs.)	Remarks
10	Sampoor	24,919,422.80	Vested to BOI appx. 818 Acre on 19.07.2012 and returned to state on 13.05.2015. This amount to be written-off.
11	Welikanda	1,892,773.69	There is no BOI own land or zone in this place; as well no acquiring process in progress. This amount to be written-off.
12	Sooriyawewa	118,583,416.13	Appx. 618.2 Acres vested with BOI and appx. 407.4 Acre is in the process of vesting. After completion of the land acquisition amounts can be capitalized.
13	Survey Charges	11,569,743.71	Rs. 2,773,740.84 will be capitalized. Rs 5,586,724.75 to be written-off. Balance Rs. 3,209,278.12 will be further reviewed and notified.
14	Millaniya	500,000.00	Land acquisition suspended. Land has not been transferred to BOI. This amount to be written-off.

(f) Gazetted Rates of each zone are applicable for the purpose of minimum bidding rates of Annual Ground Rent for issuing new lands.

All invoices are issued based on the agreement signed with the enterprises which were based on bidding values. Hence, Gazetted Rates and Invoices Value could be varied.

Further, as per the conditions stipulated in each agreement signed with the enterprise the Annual Ground Rent to be paid would vary.

Also the period for revision of rates will be varying from 03 years to 5 years as per the conditions with the agreement for each enterprise.

(g) When a Letter of Award is issued, the tenant is legally entitle to occupying the premises and making the monthly rental payment as the commencing date specified in the Letter of Award until the Legal Agreement is executed. Accordingly, monthly invoices are issued by the Finance Dept. of KEPZ.

All the Letters of Award have been issued and forwarded to the Legal Dept. for arrangement of Agreements. However, the Legal department is now requesting approval of the Board and ratification for each and every Letter of Award prior to the signing of agreements. Accordingly, a Board Paper was submitted by the Zone Management to obtain covering approval for all pending Agreements.

The highlighted Tenants in the list have not settled all pending dues to date and as a result, BOI is not in a position to issue Letters of Award for future periods. These dues were pending due to COVID-19 pandemic and economic crisis prevailed, and approval of the Rate Committee has also been obtained to grant a relief for the tenants, and majority of tenants have made more than 75% out of their dues.

However, actions are being taken either to recover the dues or acquire the premises back to BOI custody.

(h) BOI is continuously taking steps to promote the vacant lands among the investors.

(i) The shortfall in foreign direct investment during 2024 was primarily due to the political uncertainty created by two national elections held in the same year. This environment of unpredictability discouraged investor confidence and slowed capital inflows, resulting in actual investments falling significantly below the targeted levels.

(j) Companies may close due to various reasons such as company requests, land disputes, or court cases etc. Further, some of the project agreements in the said list (63 enterprises) have been terminated. In addition, certain expansion units of some companies have closed while their main units continue to operate.

Report of the Audit Committee

The Audit Committee was constituted in accordance with the provisions in the 'Guidelines on Corporate Governance for State Owned Enterprises' which was issued in the year 2021 [Public Enterprises Circular No. 01/2021].

Member composition of the Audit Committee varied during the year 2024 with the change of the political regime. Accordingly, the members of the Audit committee were as follows;

1. Chairman - Mr. Sujeewa Mudalige (Member of the Board of Directors of BOI)
2. Ex-Chairman - Mr. Manil Jayesinghe (Member of the Board of Directors of BOI)
3. Member - Ms. Janaki Siyambalagastenne (Member of the Board of Directors of BOI)
4. Member - Ms. Harshani Randiligama (Member of the Board of Directors of BOI)
5. Ex-Member - Ms. Chandanie Wijayawardhana (Member of the Board of Directors of BOI)
6. Ex-Member - Dr. Dushni Weerakoon (Member of the Board of Directors of BOI)
7. Ex-Observer - Mr. K. A. Vimalenthirarajah (Representative of Treasury)

The Superintendent of Audit represented the Auditor General at the Audit Committee meetings as an observer. Audit Committee meetings were convened by the Director (Internal Audit) the proceedings of the meetings were recorded by the Secretary to the Board complying with the Public Enterprises Guidelines on Corporate Governance for State Owned Enterprises.

Six (06) Audit Committee meetings were held for the year 2024 complying with the guidelines stipulated in the above mentioned circular.

Audit Committee especially reviewed the following reports at its meetings;

(a) Procurement Plan - 2024 and the Master Procurement Plan 2024-26
(b) Financial Statements for the year ended 31.12.2023
(c) Revised Capital Budget 2024
(d) Interim Financial Statements during 2024
(e) Procurement Plan - 2025 and the Master Procurement Plan 2025-27
(f) Capital and Recurrent Budget 2025
(g) Replies to Auditor General's Queries
(h) Quarterly Performance Reports to COPE
(I) Outcome of the Internal Audits

As a main independent sub-committee to the Board of Directors, the Audit Committee assisted the Board in discharging its responsibilities and exercised oversight over the significant financial involvements, financial reporting, internal audit, external audit and compliance with Laws, Rules and Regulations of BOI, as indicated above and made recommendations to the Board of Directors.

The Audit Committee extensively reviewed the financial commitments and operational procedures of BOI, and duly addressed the mechanisms to be adopted to regular monitoring of the projects.

The Audit Committee diligently carried out its responsibilities throughout the year, beyond routine activities, and was able to maintain a balance between providing independent oversight of the operations of BOI while assisting the Board as an independent sub-committee.

The Audit Committee fulfilled its duties effectively to a high standard throughout the year, and the terms of references for the Committee were complied within all material aspects.

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