

ABSTRACT

Sri Lanka is an Island which is in the center of the East –West sea lines of communication. There are roughly about 200 to 300 ships passing around Sri Lanka in a day and there is considerable number of ships calling the Colombo Port daily. Development of harbours was realized by the Government of Sri Lanka and with ensuing developments , Sri Lanka Government expects investments up to US\$ 15 billion to come into Sri Lanka by 2015. With the ongoing expansion of the Colombo Port, the opening of Hambantota new harbour and development of peripheral ports like Galle, Trincomalee, Kankasanturai etc will considerably increase the volume of ships calling Sri Lankan Ports in future. With these developments, there will be an increase in the complimentary work related to ships/craft like ship repairs. Further, Sri Lanka is only having one major ship repair yard; Colombo Dockyard Limited (CDL), which is jointly operated by Japanese and Sri Lankan management. Despite being the premier ship repair/building yard in Sri Lanka, the company represents 0.24% of Sri Lanka's GDP and contributes 1.01% towards country's total export revenue (Annual report – 2011).

There are few companies involved in ship repairs in small scale other than Colombo Dockyard Ltd but their contribution is relatively minimal. If Sri Lanka wants to be a preferred ship repair destination for major shipping, Sri Lanka has to be very competitive in the prices as well as the facilities to meet these demands. If Sri Lanka can be successful, there will be lot of jobs related to ship repair and also it will serve to uplift the economy by generating much needed foreign revenue. So far the Country has not been able to tap the real potential of ship repair industry considering the potential of Sri Lanka.

This study is aimed at finding the present scope of ship repair industry in Sri Lanka and recommendations to improve this industry further in order to make it more contribute to the national economy. The research is organized in five chapters including the final conclusion and apart from Annexes and the Bibliography.

Chapter one will consist of basic introduction, significance of the study, problem statement, objectives and limitations. Chapter two provides the literature review including theoretical and empirical literature. It includes importance of Indian Ocean, Historical Maritime Heritage of Sri Lanka, recent developments in harbours and facilities in the country, emergence of ship repair industry in few major maritime nations in Asia, introduction to general ship yards and finally discusses the recommendations for Indian Ship repair Industry under 11th Five Year Plan. Chapter three provides Framework of Study,

sampling method, data collection, data analysis and methodology. Chapter four focus on discussion and analysis where it speaks about present ship repair facilities in Sri Lanka, capabilities and limitations and data presentation and analysis. Finally, Chapter five includes the summary, conclusion and recommendations for policy implementation to improve the ship repair industry in Sri Lanka.