"Government Incentives and its impact on the Free Trade Zone."



By:

K. KUMUTHINI DEVI
EU/IS/87/COM/13



A Dissertation Submited to the Faculty of Commerce and Management Eastern University, Sri Lanka as partial Fulfilment of the requirements of the Bachelor of Commerce Degree.

> Eastern University Sri Lanka. 1993

ENOUGH LINE AND EVER

CONTENTS

			P.	AGI	es
		CHAPTER I			
		Introduction			
1.1		Purpose of Study	1	***	2
1.2		Objective of Study	3		
1.5		Scope of Study	3		
1.4		Methodology	3		
1.5		Limitation	3	-	4
1.6		Out line of the Chapter	4		5
		CHAPTER I I			
		Literature Survey.			
2.1		Back ground of Free Trade Zones	6		18
2.2		Incentive Packages			
	2,2,1	Methods of Protectionism	18		19
	2.2.2	The Social costs of Tarriffs	19		20
	2.2.3	Principles of Taxation	20	-	21
	2.2.4	Quotas and the Social costs of Quotas	21	***	22
	2.2.5	The incentive packages and Tax holidays	55	***	24
		CHAPTER III			
3.1		Sri Lankan Industrial Policy			
	3.1.1	Three phases of Industrialisation	25	-	26
	3.1.2	Industrialisation Policy in Sri Lanka	26	***	29
	3.1.3	Open economy From 1977	29	-	50
	3.1.4	The Objectives of the present Industriali-			
		sation Strategy	30		
	3.1.5	Export led Industrialisation	50	**	52
	3.1.6	Strategy for Industrialisation in Sri Lanka	32	-	34
3.2		Creation of Free Trade Zone in Sri Lanka	35	-	41
		CHAPTER IV			
		Incentive Packages for Exports.			
4.1	1	kport Structure	42	**	43
4.2.	(GCEC Incentive for Export	43		

CONFENES

	CHAPTER IV	PAGES
	4.2.1 General Incentive Regims 4.2.2 Special Incentive Regims	43 - 56 56 - 65
4.3	GCEC Packages of Incentive For Investments below Rs.10 Million	55 - 68
4.4	Garment industry to Pradeshiya Divisions. GCEC status. A choice of locations Generous	
	tax concessions and other benefits	68 - 69
	4.4.1 Tax concessions and other incentives	69 - 70
4.5	Other incentives Packages for Koggala	70
	CHAPTER V	
	The comparison between the Policy of Free Zones followed by the Foreign Countries and Sri Lanka	71 76
		71 - 76
	CHAPTER VI	
6.1	Efficiency of Incentive Packages and its impact on Free Prade Zone	77 - 84
6.2	Conclusion	

84 - 85