

A Step by Step Guide to
**Doing Business
in Sri Lanka**



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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

A step by step guide to
Doing Business
in Sri Lanka



Central Bank of Sri Lanka

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Revised Edition

Message of the Governor

Sri Lanka is surging ahead towards prosperity and is on the path of doubling its per capita income to USD 4,000 by 2016. In such an environment, a rapid expansion of the business sector is expected. With a view to supporting the vision of the country, the policy makers have taken major initiatives to fast track economic growth.

There are a multitude of requirements that needs to be fulfilled when setting up and operating a business. The information on the various procedures that have to be complied with is not easily accessible from a single source. Hence, the Central Bank of Sri Lanka (CBSL) took the step of collating all relevant information into one single source document and publishing the booklet as the “**Step by Step Guide to Doing Business in Sri Lanka**” which is now in its third edition. This booklet summarizes the information relating to all major activities that have to be performed by an enterprise when establishing and doing business in Sri Lanka. I am confident that this booklet will serve as an essential guide to the business community in Sri Lanka.

I am also thankful to the team of officers in the Statistics Department of the CBSL who prepared this booklet using the inputs received from the many organizations involved.

Ajith Nivard Cabraal

Governor

19 October 2012.

Message of the Director Statistics

One of the main difficulties faced by an entrepreneur at the different stages in the life cycle of a business is the lack of access to information on regulations that need to be adhered to. Generally, this information is made available by the various institutions to interested parties through its web site or other media channels. However, due to the unorganized and scattered nature of the information available, there was a need to bring together this information in order to reduce the search costs, time and inconvenience incurred by the business sector in accessing such information.

Under the aforesaid background, the CBSL published the first booklet which was named the “**Step by Step Guide to Doing Business in Sri Lanka**” in October, 2010. This booklet outlines the steps to be undertaken by an entrepreneur during different stages of a business - from establishing a business to the closure of operations. It provides comprehensive information on documentary requirements, regulatory clearances and general topics of interest. The revised edition of the aforesaid booklet was published in April 2011.

The 3rd edition of the “**Step by Step Guide to Doing Business in Sri Lanka**” is now published demonstrating the CBSL’s commitment towards providing the most up to date information to entrepreneurs. We wish to thank all the organizations that provided inputs and assistance in compiling this edition.

We hope this booklet will be a useful source document for the business community and facilitate the country’s development effort.

Kumudhini Saravanamuttu

Director of Statistics

19 October 2012.

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Please note that fees, charges, taxes and rates incorporated here
are as at 18th October 2012.

List of Acronyms

ACVT	– Air Cargo Village Terminal
AE	– Area Engineer
AEO	– Area Engineer’s Office
BOI	– Board of Investment
BPO	– Business Process Outsourcing
CCB	– Coconut Cultivation Board
CCDP	– City of Colombo Development Plan
CD	– Compact Diskette
CDDA	– Cosmetic Devices and Drugs Authority
CDN	– Cargo Dispatch Note
CDS	– Central Depository System
CEA	– Central Environmental Authority
CEB	– Ceylon Electricity Board
CFR	– Cost & Freight
CIF	– Cost Insurance and Freight
CIF	– Customer Identification Form
CLE	– Ceylon Legislative Enactment
CMC	– Colombo Municipal Council
COC	– Certificate of Conformity
CSE	– Colombo Stock Exchange
CUSDEC	– Customs Declaration
D/A	– Documents against Acceptance
D/P	– Documents against Payments
DIG	– Deputy Inspector General
ECSC	– Electricity Consumer Service Centre
EDB	– Export Development Board
EIA	– Environmental Impact Assessment
E-Media	– Electronic Media
EPF	– Employees’ Provident Fund
ESC	– Economic Service Charge
ETF	– Employees’ Trust Fund
FOB	– Free On Board
GSP	– Generalized System of Preferences
HACCP	– Hazard Analysis and Critical Control Points
IDNs	– Internationalized Domain Names

IEE	– Institute of Electrical Engineers
IT	– Information Technology
JCT	– Jaya Container Terminal
KYC	– Know Your Customer
LCBs	– Licensed Commercial Banks
LSBs	– Licensed Specialized Banks
MT	– Metric Ton
NBT	– Nation Building Tax
NFE	– No Foreign Exchange
NGO	– Non Government Organization
NIC	– National Identity Card
NWSDB	– National Water Supply and Drainage Board
PAYE	– Pay As You Earn
PPC	– Preliminary Planning Clearance
PSR	– Presidential Security Range
QPC	– Quoted Public Company
RMV	– Registrar of Motor Vehicle
ROC	– Registrar of Companies
SAGT	– South Asia Gateway Terminal
SEC	– Securities and Exchange Commission of Sri Lanka
SLAS	– Sri Lankan Accounting Standard
SLPA	– Sri Lanka Ports Authority
SLSI	– Sri Lanka Standards Institution
SLTB	– Sri Lanka Tea Board
SWML	– Scheduled Waste Management License
TIA	– Traffic Impact Assessment
TIN	– Taxpayer Identification Number
TQB	– Textile Quota Board
TRC	– Telecommunication Regulatory Commission
UDA	– Urban Development Authority
VAT	– Value Added Tax
VIC	– Vehicle Identity Card

Before Starting
a business



1

1.1 Registering a Business

The organization that is concerned with this is Department of the Registrar of Companies (ROC).

✉ Registrar General of Companies
Department of the Registrar of Companies
“Samagam Medura”
400, D. R. Wijewardena Mawatha
Colombo 10
Sri Lanka.

☎ 94-11-2689208, 2689209

📠 94-11-2689211

@ registrar@drc.gov.lk

🌐 www.drc.gov.lk

1.1 Obtaining approval for registering a Name

Any organization registered under the Company Act No. 07 of 2007 should get a business name reservation.

Steps

1. Search the database of the registered companies through information portal of ROC or search manually the books kept on the information counter of ROC to check whether the same name or similar names have been registered.
2. Fill the Name search form (*i.e.*, A16) through information portal or manually using the form collected from the information counter of the ROC after verifying that the same name is not recorded in the business names registry. If the name includes initials, please indicate what those initials stand for.
3. The form A 16 is examined at the public information counter (if you hand over the form). More information may be requested depending on the manner in which the forms have been filled. This may be done by e-mail if portal is used.
4. Send a Name search application using portal paying Rs. 581 (fees Rs. 500/= + 12% Value Added Tax (VAT) + Processing charges) (only Sampath e-Wallet, Master and Visa cards are accepted) or submit manually by paying Rs. 560 (Fees Rs. 500/= + 12% VAT) to the Shroff counter at the Department of ROC.

5. The Name verification document is sent to the database administrator who will run a search for similar names which he will list and submit to the Registrar General of Companies.

Note:

The Registrar General of Companies (or his Officers) have the sole discretion to approve the name or delegate authority to approve the same. He may approve the name OR request more information OR may suggest a change to the proposed name. If the name is approved, the Approval Number can be collected over the information counter of ROC or if sent through the portal will be e-mailed the following day.

This reservation is valid only for a period of 3 months from the date of application.

1.1.1 A Limited Company

Steps

1. Obtain a name approval (as mentioned in page 3)
2. Fill Form Nos. 1, 18 and 19 together with two copies of Articles of Association prepared (on A4 paper). All forms should be printed or typewritten. (**Hand written forms will not be accepted.**)

Form 1 – REGISTRATION OF A COMPANY

Form 18 – CONSENT AND CERTIFICATE OF DIRECTOR
(should be filled by each Director)

Form 19 – CONSENT AND CERTIFICATE OF SECRETARY /
SECRETARIES

Note:

Articles of the Association –

May be prepared according to the First Schedule (Model Article) in the Companies Act No. 7 of 2007.

Articles of association set out in the First Schedule applies in respect of any company other than a company limited by guarantee, except to the extent that the company adopts articles which exclude, modify or are inconsistent with the model articles.

The articles of a private company shall include provisions which–

- (a) prohibit the company from offering shares or other securities issued by the company to the public; and
 - (b) limit the number of its shareholders to fifty, not including shareholders who are–
 - (i) employees of the company; or
 - (ii) former employees of the company who became shareholders of the company while being employees of such company and who have continued to be shareholders after ceasing to be employees of the company.
3. Submit the above mentioned documents to the information counter to check whether they are in the correct format. If in order, submit it to the Shroff counter. The registration fees are Rs. 11,200 including VAT (Form 1 – Rs. 10,000/= , Form 18 – Rs. 500/= , Form 19 – Rs.500/= , Articles of Association – Rs. 500/= + 12% VAT)

Note:

If contents of the forms & articles are correct the certificate can be collected over the counter by producing the payment receipt on the next business day.

4. Within thirty working days of its incorporation under this Act, give *public notice** of its incorporation, specifying
 - (a) the name and company number of the company ; &
 - (b) the address of the company's registered office.

*[*public notice – Where public notice of any matter is required to be given under the Act, that notice shall be given by publishing a notice of that matter–*

- (a) in at least one issue of the Gazette; and*
- (b) in at least one issue of a daily newspaper in the Sinhala, Tamil and English (three papers) languages, circulating in the area in which–*
 - (i) the company's place of business;*
 - (ii) if the company has more than one place of business, the company's principal place of business; or*
 - (iii) if the company has no place of business or the location of neither its principal place of business nor any other place of business is known to the person required to give the notice, where the company's registered office, is situated. (clause 529(4) of Companies Act No. 7 of 2007)]*

Further information

If one would like to register a private company with shares issued to a foreign investor, it should be either with BOI approval or without getting BOI approval, provided it does not violate the limitations under section 3 of the Extraordinary Gazette Notification No. 1232/14 dated 2002.04.19 published under the Exchange Control Act (chapter 423 of the CLE).

When preparation of articles for these, inclusion of Primary Objects are mandatory.

1.1.2 An Overseas Company in Sri Lanka

Eligibility for Registration

- (i) Any company or body corporate incorporated outside Sri Lanka, whose business has been granted permission for the purposes of the **Exchange Control Act**, subject to the exclusions, limitations and conditions published in the Government *Gazette* No. 1681/10 of 22nd November 2010; and
- (ii) has after the appointed date established a place of business within Sri Lanka; or
- (iii) has before the appointed date, established a place of business within Sri Lanka and continues to have an established place of business within Sri Lanka on the appointed date.

Steps

1. **Obtain a name approval (as mentioned in page 3).**
2. **Within one month** from the date of establishment of its place of business within Sri Lanka, deliver the following to the Company Registrar for registration of business—
 - (i) a certified copy of the charter, statutes or memorandum and articles of association of the company or other instruments constituting or defining the constitution of the company and where that instrument is not in the official language of Sri Lanka or in English, a translation of that instrument in such language as may be specified by the Registrar;
 - (ii) a list of the directors of the company, containing such particulars with respect to the directors as are by the Companies Act No. 7 of 2007 required to be contained with respect to directors in the register of directors of a company in the prescribed manner; [FORM 45]
 - (iii) the names and addresses of one or more persons resident in Sri Lanka authorized to accept on behalf of the company, service of documents and of any notice required to be served on the company in the prescribed manner; [FORM 46]
 - (iv) a statement containing the full address of the registered or principal office of the company in the country of origin and the principal place of business of the company within Sri Lanka; [FORM 44]
 - (v) a certified copy, certified of recent date, of any document affecting or evidencing the incorporation of the company; and
 - (vi) a valid Power of Attorney authenticated by the seal of the company authorizing the persons or person resident in Sri Lanka to act on behalf of the company.

Where an overseas company has established a place of business within Sri Lanka before the appointed date and has complied with the requirements of Part XIII of the Companies Act No. 17 of 1982 in relation to the delivery of documents and particulars, such company shall be deemed to have complied with 2 above.

Where it appears to the Registrar that the corporate name of a registered overseas company would be precluded from registration under Section 7 of the Act had it been formed under this Act, the Registrar may take appropriate steps in terms of the Act to issue notice on the company to register another name approved by the Registrar.

Note:

1. A document shall be deemed to be duly certified if the document is certified to be a true copy –

- (i) by an official of the government of such foreign country to whose custody the original is committed ; or
- (ii) by a Notary Public of such country; or
- (iii) by some officer of the company before a person having authority to administer an oath in that country; and by the signature or seal of that official, Notary Public or person being authenticated by an official of the Sri Lankan Embassy or High Commissioner in that country.

In the case of a country where there is no Sri Lankan Embassy, the signatures may be authenticated by the Trade Commissioner; or any representative of the government of Sri Lanka in that country; or any member of the judiciary of that country; or any other person acceptable to the Registrar General of Companies.

2. Prescribed forms may be purchased from the department or downloaded from the website <http://www.drc.gov.lk/>

3. The current prescribed fees for registration are :-

For registration of an overseas company – Rs. 30,000/=

For registration of any document – Rs. 500/=

12% VAT is payable on all registration fees.

4. All forms must be printed or typewritten.

To follow the procedure to apply for a licence under section 34 of the Companies Act No. 7 of 2007 visit ROC website <http://www.drc.gov.lk/>

1.1.3 An Off-Shore Company in Sri Lanka

Companies that may be registered:

Any company or body corporate incorporated in Sri Lanka or under the laws of any foreign country may make an application to the Registrar General of Companies (hereafter referred to as Registrar) to be registered as an Off-shore company and to be referred to as such. Registration of the company will be subject to the Registrar being satisfied that –

- (a) winding up or liquidation of such company has not commenced;
- (b) a receiver of the property has not been appointed;
- (c) there is no scheme or order in force suspending the rights of creditors; and
- (d) in the case of a company incorporated abroad, there is no legal impediment in the country of incorporation to the company engaging in the business of an Off-shore company; (A certificate from the registering authority or a reputed law firm in that country to that effect would be required).
- (e) the issue of the certificate of registration will not render defective any legal or other proceedings instituted or to be instituted by or against the company.

Grant of Certificate of Registration

- (a) The issue of a certificate of registration will be subject to the above criteria and the discretion of the Registrar that the registration will be in the national interest and any conditions that the Registrar may embody in the certificate.
- (b) The grant of a certificate of registration as an off-shore company shall entitle the company to carry on its business outside the shores of Sri Lanka and exempt the company from complying with any other provisions of the Act.

Steps

1. **Obtain a name approval (as mentioned in page 3).**
2. **Deliver following documents for registration.**
 - (a) A certified copy of the charter, statutes or memorandum and articles of association of the company or other instrument constituting or defining the constitution of the company and where that instrument is not in the official language of Sri Lanka or in English, a translation of that instrument in such language as may be specified by the Registrar;
 - (b) a list of the directors or those managing the affairs of the company, containing their full names, addresses, occupations and the offices they hold in the company; [FORM 45]
 - (c) the names and addresses of one or more persons who are residents in and are citizens of Sri Lanka who is or are authorized to represent the company; [FORM 46]

- (d) statement containing the full address of –
- (i) the registered or principal office of the company in the country of incorporation; [FORM 44]
 - (ii) the office of the company in Sri Lanka; [FORM 44] and
 - (iii) a certified copy (certified of recent date) of the incorporation of the company.
- (e) a valid Power of Attorney (authenticated by the seal of the company if applicable) authorizing the persons or person resident in Sri Lanka to act on behalf of the company.
3. Produce to the Registrar a certificate from a bank, that the prescribed sum to defray the expenses of the off-shore company for the purposes of its office in Sri Lanka has been deposited to the credit of an account at the bank in the name of the off-shore company.
4. Produce not later than 31st day of January each year (or such later date as the Registrar may approve) the following where an off-shore company intends to continue its business as an off-shore company.
- (i) proof of payment of the prescribed fee in the prescribed manner; and
 - (ii) a certificate referred to at (3) above.

Note:

Prohibition

An Off-shore company shall have power to carry on any business outside Sri Lanka but shall not be entitled to carry on any business within Sri Lanka.

It is not precluded from securing any benefits or advantages available under any written law applicable to it.

Cessation of Business

An off-shore company may cease carrying on business as an offshore company by giving notice to the Registrar on the prescribed form of its intention to do so. (Form 24)

Prescribed forms may be purchased from the department or downloaded from the website <http://www.drc.gov.lk/>

The current prescribed fees for registration are :-

Amount to be credited to a bank to defray expenses of an off-shore company in Sri Lanka for the purpose of its office	– US \$ 70,000.00
For registration of an offshore company	– Rs. 60,000.00
For registration of any document	– Rs. 500.00

12% VAT is payable on all registration fees

1.2 Obtaining a Board of Investment Approval

The organization that is concerned with this is the Board of Investment (BOI).

✉ Chairman
Board of Investment of Sri Lanka
Level 26, West Tower
World Trade Centre, Echelon Square
Colombo 01
Sri Lanka.

☎ Executive Director (Investment)
94-11-2438972, 2427071

Executive Director (Investment)
94-11-2430511, 2427032

Executive Director (Investment)
94-11-2473763, 2427203

@ infoboi@boi.lk

🌐 www.investsrilanka.com / www.boi.lk

Steps

1. Obtain an application from BOI.

Applicable fee is as follows:

- **Overseas** : Bank draft or cheques for US\$ 200 + VAT
- **Sri Lanka** : Bank draft or cheques or cash equivalent of US\$ 200 + VAT in SL

The application comprises of two parts : Investment Approval and Site Approval.

Note:

1. Submit completed application to the receiving officer of the Investment Appraisal Department of the BOI.
2. Approval will be granted after appraising the project proposal.

Note:

The present regulation is under review and new regulation will be gazetted in due course.

Note:

Agreement Processing Fee

- Strategic Development Project – US\$ 3,000 + VAT
- Other Projects – US\$ 1,550 + VAT
- Supplementary Agreement for Expansion – US\$ 520 + VAT

Documentary requirements:

- i. Company Profile
- ii. Feasibility report of the project
- iii. Current Annual Report
- iv. Bank references

Note:

Agreement signing process will take one month.

1.3 Obtaining a Preliminary Planning Clearance/ Development Permit / Certificate of Conformity except for the projects relevant to Tourism Industry

The organization that is concerned with this is the Colombo Municipal Council (CMC).

✉ Colombo Municipal Council
Town Hall
Colombo 7
Sri Lanka.

☎ 94-11-2691191-9

🌐 www.cmc.lk

✉ Municipal Commissioner
Colombo Municipal Council

☎ 94-11-2678425

☎ 94-22-2694640

✉ Customer Care Centre
Colombo Municipal Council

☎ 94-11-2691191 Ext. 577

☎ 94-11-2684290

✉ Deputy Municipal Commissioner (Eng. Services)
Municipal Engineer's Department
Colombo Municipal Council


☎ 94-11-2696173

☎ 94-11-2696264


✉ Director (City Planning)
City Planning Division
Colombo Municipal Council


☎ 94-11-2692738


☎ 94-11-2692738


 Senior Planning Officer – 94-11-2690055
Deputy Director (North) – 94-11-2665181
Deputy Director (South) – 94-11-2695914
Engineer (Buildings) – 94-11-2682124
Engineer (Planning) I – 94-11-2675985
Engineer (Planning) II – 94-11-2675983


 Chief Medical Officer of Health
Public Health Department
Colombo Municipal Council


 94-11 – 2691922


 Director Engineering (Traffic, Design & Road Safety)
Traffic, Design & Road Safety Division
Colombo Municipal Council


 94-11 – 2694593

 94-11 – 2686605


 Director Engineering (Solid Waste Management)
Solid Waste Management Division
Colombo Municipal Council


 94-11 – 2691222


 94-11 – 2674314

 Deputy Director Engineering (North)
94-11 – 2674314


 Deputy Director Engineering (South)
94-11 – 2693045

 Director Engineering (Water Supply & Drainage)
Water Supply & Drainage Division of the CMC
Maligakande, Colombo 10

 94-11 – 2689086

 94-11 – 2692696

 Chief Legal Officer
Legal Department
Colombo Municipal Council

 94-11 – 2694226

✉ Municipal Assessor
Municipal Assessor's Department
Colombo Municipal Council

☎ 94-11-2695919

☎ 94-11-2676309

✉ Chief Fire Officer
Fire & Rescue Department of CMC
T. B. Jayah Mawatha
Colombo 10

☎ 94-11-2691637

☎ 94-11-2692222

✉ Director General (Enforcement)
Urban Development Authority
6th & 7th Floors
"Sethsiripaya"
Battaramulla

☎ 94-11-2873643

☎ 94-11-2872616

✉ General Manager
Condominium Management Authority
1st Floor, NHDA Building
Sir Chittampalam A. Gardiner Mawatha
Colombo 02

☎ 94-11-2321584

☎ 94-11-2423606

To obtain the Preliminary Planning Clearance/ Development Permit/ Certificate of Conformity, the owner/ developer must complete the followings.

A. To obtain Preliminary Planning Clearance (PPC)

Steps

1. Obtain an application along with the instructions from the Customer Care Centre of the CMC at the Town Hall or from CMC website, www.cmc.lk.
2. Submit two copies of proposed development in sketch form and a Survey Plan in scale of 1:1,000 or 1 chain : 1 inch along with the application to City Planning Division of CMC.

Note:

Submit following clearances from the relevant Authorities along with the PPC application;

- i. A letter confirming the correct Assessment Number with site extent including boundaries and ownership from Municipal Assessor's Department – CMC obtained within six months of the date of application.
- ii. Clearance from Urban Development Authority (UDA) (if already obtained, not necessary to apply for PPC from CMC).

B. To obtain a Development Permit and Approval of Building Plans

Steps

1. Obtain an application along with the instructions from the Customer Care Centre of the CMC at the Town Hall or from CMC website, www.cmc.lk.
2. Submit the completed Building Application with minimum number of 09 copies of building plans (please refer to item (V) of the section B given below to identify the required number of copies), along with the clearances/documents mentioned below (if applicable).
 - (I) (a) A letter confirming the correct Assessment Number with site extent including boundaries and ownership from Municipal Assessor's Department – CMC and the validity of the said letter is 06 months.
 - (b) Drainage Division of CMC regarding the storm water drains & foul sewer lines.

- (c) National Water Supply & Drainage Board regarding underground water supply lines.
- (d) Sri Lanka Land Reclamation & Development Corporation (for low lands & canals).
- (e) Street Line & Building Line Certificates from the City Planning Division of the CMC, obtained after the year 2009.
- (f) Coast Conservation Department (If within 300m from costal permanent vegetation line).
- (g) Central Environmental Authority of Sri Lanka (For Hospitals, Industrial development *etc.*)
- (h) Civil Aviation Authority of Sri Lanka (If the number of floors of the proposed building exceeds 7 or the height is more than 60.0 ft.).
- (i) Condominium Management Authority (For condominium properties).
- (j) Urban Development Authority (For Special Projects/ Areas, Such as Beira Lake Reservation and Independence Square & surroundings under development guide plan – area 1).
- (k) Public Health Department of CMC (For Hospitals, Industrial Developments, *etc.*).
- (l) Railway Department/Irrigation Department (If affected by the railways, river/canal reservations *etc.*)
- (m) Department of Archeology (For the buildings listed in volume 1 of City of Colombo Development plan (CCDP) 1999 Gazetted by Urban Development Authority, under the historic & architecturally valuable buildings).
- (n) Ceylon Electricity Board where the proposed building is in close proximity to high-tension electrical lines or floor area is more than 30,000.0 sq. ft.

[All (a) to (n) to be obtained from the relevant institutions]

- (II) Following clearances to be obtained by submitting draft plans prior to submission of building application.
 - (a) Chief Officer of Fire & Rescue Department of the CMC – [for all non-residential buildings / usages and for the residential buildings exceeding 3,000 sq.ft. of floor area or consisting 4 (G+3) floors or above] by submitting 02 copies of building plan.
 - (b) Solid Waste Management Division of CMC [buildings with five (G+4) floors and more than 08 residential units] by submitting 02 copies of building plan.

(III) Following clearances to be obtained by submitting building plans along with the Building Application.

Presidential Security Range (PSR) (2 building plan copies). (If within the High Security Zones described by the Senior Deputy Inspector General – PSR)

(IV) Other Documents to be submitted

- (a) A copy of approved Sub-division/Amalgamation plan along with the original (to check & return at the counter) and the Development Permit if any, and a photocopy or one(01) copy of original Survey Plan. If the site extent is less than 6.0 P and / or Sub-division is not approved an original Survey plan for sites, existence prior to 1999.
- (b) A copy of Owner's National Identity Card
- (c) Certified copies of Deeds
- (d) Certified copy of Pedigree
- (e) Certified copy of Title Report
- (f) Certificate of Incorporation (if a company)
- (g) Letter of Indemnity, indemnifying the CMC from any claim or damage what so ever
- (h) Letter of undertaking for the submission of Insurance Policy 02 weeks prior to commencement of construction work
- (i) Traffic Impact Assessment (TIA) report (if required as per the Schedule III of in volume II (Regulation 34) of Colombo City of Development Plan (CCDP) 1999 amended by the CCDP (Amendment) – 2008 to be submitted to;
 - * Director General / Director (Enforcement) of UDA (3 copies along with the application) &
 - * Director (City Planning) of CMC (3 copies)
- (j) An Affidavit to be submitted certifying that all the documents submitted by the owner / developer along with the application are true and accurate.

(V) Number of Building Plan Copies

All copies should be submitted to the City Planning Division of CMC.

- (a) For office record (1 copy)
- (b) Municipal Assessor (1 copy)
- (c) UDA (1 copy)
- (d) Presidential Security Range (2 copies)
(If within the High Security Zones)

- (e) Owner (3 Copies)
- (f) Drainage Division (1 copy)

C. To obtain Certificate of Conformity (COC)

Steps

1. Obtain an application along with the instructions from Customer Care Centre of the CMC at the Town Hall or from CMC website, www.cmc.lk.
2. Complete application and hand over it to the City Planning Division of CMC along with the following documents.
 - i. Drainage Certificate obtained from the Drainage Division of the CMC at Maligakanda, Colombo 10
 - ii. Fire certificate obtained from Fire & Rescue Department of the CMC at T. B. Jayah Mawatha, Colombo 10 (if applicable)
 - iii. Solid Waste Management certificate from Solid Waste Management Division of the CMC at Town Hall (if applicable)
 - iv. Certificate from Presidential Security Range (if applicable)
 - v. Any other certificates (if applicable).

All the applications should be certified by both the Chartered Architect and Chartered Civil Engineer (who has obtained professional qualifications in Sri Lanka), if the total floor area exceeds or equal to 280 sq.m. and/or the walls/columns are situated on the boundary of the property.

Note:

All the applications of the projects relevant to Tourism Industry to be referred to the Urban Development Authority for approvals.

1.4 Registration of a Property (Deed)

The organization that is concerned with this is the Registrar General's Department.

✉ Registrar General
Registrar General's Department
234/A3 Denzil Kobbekaduwa Mawatha
Battaramulla
Sri Lanka.

☎ 94-11-2889488, 2889489

☎ 94-11-2889491

@ info@rgd.gov.lk

🌐 www.rgd.gov.lk

The following steps are required to register a document (Deed) at the Land Registry.

Steps

1. Obtain a title report after Notary carries out a title search at the relevant Land Registry.
2. Get the deed signed by parties, witnesses and notary, attested.
3. Hand over of the deed for registration to the relevant Land Registry by Notary/Lawyer or purchaser.
 - a. Cost to complete: Stamp duty payable as follows: 3% on the first Rs. 100,000 and 4% on the balance.
4. Registration of the deed at the Land Registry.
5. Return of the registered deed over the counter or by post.

1.5 Obtaining a Telephone Connection

The organization that is concerned with this is Sri Lanka Telecom PLC.

✉ Chairman
P.O. Box 503
Sri Lanka Telecom Headquarters
Lotus Road
Colombo 01
Sri Lanka.

☎ General 94-11-2329711, 2121212
Chairman 94-11-2439308

🌐 www.slt.lk

Steps

1. Obtain an application from any Regional Telecom Office/Teleshop or download application from Sri Lanka Telecom corporate web site www.slt.lk
2. Submit completed application with a photocopy of NIC/Passport. Submission of following information/documents with the application will be an added support.

For Residential Use

- a. Provide two nearest SLT Telephone numbers.
- b. Selected package/features
(with or without Broadband connection)
- c. Water/Electricity billing proof.
- d. If for a third party owned location, a consent letter from the Legal owner.

For Business Use

- a. For Public Companies or the registered business with two or more owners, at least two directors should sign the application and the company seal to be embossed.
 - b. Business Registration Certification / Certificate of incorporation.
 - c. Form 20.
 - d. If tax exempted, documentary proof.
3. On-Site Inspection – Optional
 - If nearest telephone numbers are provided and the network facilities are freely available this is not necessary.

4. Collect / Receive the invoice
 - Applicant can get the invoice over the counter (within 30 mts of submitting application) if the above mentioned information is provided and network facilities are readily available. Else, it will be sent by post.
5. Pay Installation Cost – at any Regional Telecom Office or Teleshop.
6. Co-operate with the technicians (Sri Lanka Telecom staff or Authorised Contractor staff) who visit the location for installation.

Note:

There are various packages available at Sri Lanka Telecom. According to the customer interest, it can be obtained within two to three days.

Further, there are two private telecommunication companies (Lanka Bell and Suntel) who provide land phone facilities and five private telecommunication companies who provide mobile connection facilities.

The web sites are given below:

- ◆ Lanka Bell – www.lankabell.net
- ◆ Suntel – www.suntel.lk
- ◆ Dialog – www.dialog.lk
- ◆ Mobitel – www.mobitel.lk
- ◆ Hutch – www.hutch.lk
- ◆ Etisalat – www.etisalat.lk
- ◆ Airtel – www.airtel.lk

1.6 Obtaining an Electricity Connection

The organization that is concerned with this is the Ceylon Electricity Board (CEB).

✉	Chairman Ceylon Electricity Board 50, Sir Chittampalam A. Gardiner Mawatha P.O.Box 540 Colombo 02 Sri Lanka.
☎	General 94-11-2324471-8 Chairman 94-11-2329894, 2329108 Vice Chairman 94-11-2422297 General Manager 94-11-2320953, 2325340
	Call Centre 94-11-2481231, 2481232 (Dial 1987 from Sri Lanka)
🌐	www.ceb.lk

To obtain the electricity connection, the company must complete the following process.

(A) Retail Supply connections (30 ampere single phase/ 30 ampere three phase/ 60 ampere three phase service connections)

Steps

1. Obtain an application form from the nearest CEB Electricity Consumer Service Centre (ECSC) [In case of Colombo City limits from the respective Area Engineers (AE) Office] and hand over the application to AEO/ECSC with a payment of registration fee.
2. Pay the cost estimate given by the CEB for providing a retail supply connection.
3. Complete the internal wiring to the satisfaction of the CEB (to comply with the latest edition of the Institute of Electrical Engineers (IEE) Wiring Regulations).
4. Provide CEB with an Installation Test Report for the internal wiring certified by a Chartered Electrical Engineer registered with CEB.
5. Pay the security deposit in respect of cost of two months average electricity consumption to CEB.
6. Enter into a service agreement with the CEB for supply of Electricity.

(B) Bulk Supply (Supply over 42 kVA *i.e.* over 60 ampere three phase)

Steps

1. Make a request with an application fee to the Commercial Engineer for the respective Province and the costing will be done by the Commercial Engineer or the staff attached to that branch. In case of supply request of the Colombo city limits, the request should be made to the Commercial Engineer Bulk supply of Colombo City.

Documentary Requirements

- i. A copy of the approved building plan
 - ii. Documentary evidence (Certificate of ownership, Statutory Notice of Assessment for the current year, Non-vesting Certificate or a Writing issued by the CMC) to establish the assessment number allocated to the property by the CMC
 - iii. A copy of the Certificate of Incorporation
2. Obtain a cost estimate after onsite inspection by the Commercial Engineer or the staff attached to that branch.
 3. Pay the cost estimate given by the CEB for providing bulk supply connection.
 4. Complete the internal wiring to the satisfaction of the CEB (to comply with the latest edition of the IEE Wiring Regulations).
 5. Provide CEB with an Installation Test Report for the internal wiring certified by a Chartered Electrical Engineer registered with CEB.
 6. Pay the security deposit in respect of cost of two months average electricity consumption to CEB.
 7. Enter into an agreement with the CEB for supply of electricity.

Note:

The security deposit is refundable on the disconnection of the electricity supply. The equipment including transformer with respect to the supply will be supplied and installed by the CEB and the cost should be borne by the consumer. In case of High Tension supply provided at 11 kV and 33 kV level, CEB maintains supply up to metering point and the consumer should install the transformer and other necessary equipment.

Bulk supply connections provided through underground system

Approved building plan from respective Local Authorities is sufficient from the applicant side. Applicant should pay the road reinstatement (Road damage) charges given by respective Local Authorities.

CEB would get the approval from following institutions before cable laying.

- Presidential Security Division
(for Clolombo Municipal Council area)
- Traffic Police, Sri Lanka Police
- Respective Local Authority

The construction and installation of all the equipments related to the under ground power supply will be done by the CEB. Road reinstatement work will be done by respective Local Authorities after cable laying work is completed by CEB.

1.7 Obtaining a Water Supply Connection

The organization that is concerned with this is the National Water Supply and Drainage Board (NWSDB).

✉ National Water Supply and Drainage Board
Galle Road
Ratmalana
Sri Lanka.

☎ Deputy General Managers

Western-Central	94-11-2887151
Western-North	94-11-2922131
Western-South	94-11-2732685
Central	94-81-2387149
North Central	94-25-2235993
North Western	94-37-2221161
North	94-24-2225719
Southern	94-41-2229792
Sabaragamuwa	94-36-2233701
East	94-26-2222028
Uva	94-57-2222417

🌐 www.waterboard.lk

The following steps are required to get a water supply connection in Sri Lanka.

Steps

1. Obtain an application from the relevant Area Engineer's Office/ Local Area Office or download the form from the web site (www.waterboard.lk).
2. Complete the application form provided by NWSDB and hand over to the nearest office with Gramasevaka certificate or assessment or Certificate of Conformity (COC) of the premises.
3. Obtain consent from the local authorities for damage to road (If there is damage to the road in installing the water connection, applicant should be required to pay a fee for this to the relevant Road Authority).
4. On-site examination by NWSDB for clearance.
5. Pay the estimated cost for the connection to NWSDB.
6. Enter into a service agreement with the NWSDB.
7. The connection would be given after 3 working days from signing of the service agreement.

During the
Business

2



2.1 Obtaining an EPF Registration

The organization that is concerned with this is the Department of Labour.

✉ Commissioner General of Labour
Department of Labour
Narahenpita
Colombo 05
Sri Lanka.

☎ 94-11-2368917, 2368062, 2369190

🌐 www.labourdept.gov.lk
www.epf.gov.lk

The following steps are required to get registration with EPF.

Steps

1. Complete “Form-D” in duplicate with business registration certificate and certify within 14 days of recruitment of first employee.
2. Dispatch by registered post to the nearest Labour Office or directly to the Commissioner of Labour.
3. Obtain reply, which will be sent along with the registration number and two letters of the English Alphabet indicating the revenue district.

Note:

Above can be obtained over the counter.

Documents required to be maintained by employer

- i. Payroll information, cheque roll information, extra allowance information, labour registry
- ii. Attendance information
- iii. Proof of payment of benefits (Central bank receipts, Cheque numbers, Registered post receipts *etc.*)
- iv. Third copy of the “C” certificate.

Note:

An employer of even one employee is legally bound to pay contributions to the Fund starting from the first day of employment. All employees should be enrolled by furnishing the relevant registration form called “A”, “B”, and “H”, whether they are permanent, temporary, apprentices, casual or shift workers.

2.2 Paying EPF

The organization that is concerned with this is the Employees' Provident Fund (EPF) Department of the Central Bank of Sri Lanka.

✉ The Superintendent of Employees' Provident Fund
Employees' Provident Fund Department
Central Bank of Sri Lanka
P.O. Box 1299
Colombo
Sri Lanka.

☎ 94-11-2206690, 2206691, 2206692, 2206693, 2206642

☎ 94-11-2343191

🌐 www.epf.lk

The following steps need to be followed to pay EPF contributions.

Steps

1. Assign EPF membership numbers for employees in numerical order. The membership number should not be overlapped among employees.
2. Calculate contribution with regard to each employee (minimum 8% from employee and 12% from employer) according to their total earnings for particular month.

Note:

Contributions should be paid on the total earnings of the employee which includes salary, wages or fees, cost of living allowance, holiday payments, cash value of cooked or uncooked food supplied by the employer, food allowance, any kind of specified remuneration and payments in the form of discounts (commissions), piece rate payments and contract basis payments.

3. Forward member-contribution details and payments as specified below:
 - (i) Forwarding member-contribution details
 - (a) Manual System
 - (a-1) Employers having less than 150 employees
 - Obtain 3 copies of "Form-C" (issued free) from the nearest Labour Office.
 - Once employer sends the first "Form-C" with the payment, pre-printed "Form-C" will be sent to the employer by post monthly. When a new

employee (member) is recruited, details should be included in the “Form-C” of the particular month. Member details should be duly filled as appeared in the National Identity Card (NIC) of the new member.

- Fill the “Form-C” in triplicate.
- Submit the original document with the payment to the Collection Counter of EPF at the Lloyd’s Bldg., No. 13, Sir Baron Jayatilaka Mawatha, Colombo 1 or post it to EPF (instructions are given in “Form-C”).
- Forward the second copy to the nearest Labour Office.
- File the third copy for future reference.

(a-2) Employers having more than 150 employees

- Monthly Contributions can be made using “Form-C1” while member-contribution details should be submitted to EPF once in every six months using “Form-C3”. Formats of Forms C1 and C3 can be obtained from the EPF Department of the Central Bank or the nearest Labour Office.
- “Form-C3” for the 1st half of the year – Submit on or before 31st July each year.
- “Form-C3” for the 2nd half of the year – Submit on or before 31st January of the subsequent year.
- Member details should be duly filled as appeared in the NICs of each Member.

(b) e-Return System (e-Media)

- Member details should be duly filled as appeared in the NICs of each member.
- e-Return System is encouraged for forwarding member contribution details as this system is more efficient than the manual form filling system
- According to the EPF (Amendment) Act, No. 2 of 2012, all employers who have more than 50 employees are required to submit their employees’ EPF contributions and member details on monthly basis via e-Return System
- Once the regulations are issued by the Labour Department, employers under C3 category have to utilize the e-Return System. The manual system explained under (a-2) above will cease thereafter.

- e>Returns could be submitted in two ways
 - (i) Transmitting contribution details to epfc3@cbsl.lk
 - (ii) Transmitting contribution details through commercial banks websites. (currently the facility is available with Commercial Bank of Ceylon PLC on Paymaster System).

(ii) Payments (Member Contribution)

(a) Contributions should be remitted to the Employees' Provident Fund through one of the following modes of payment :

- Cheques – Cheques should be drawn in favour of the “Superintendent of Employees' Provident Fund”.
- Directly from employers bank account to EPF Account via commercial banks websites (currently the facility is available in Commercial Bank of Ceylon PLC Paymaster System).
- Money Orders – Paying Office should be indicated as Colombo.
- Bank Drafts – Should be drawn in favour of the “Superintendent of Employees' Provident Fund”.
- Direct Debit – Direct Debit authorization should be submitted to employer's bank with a copy to EPF.
- Cash – Should be credited to People's Bank First City branch or Bank of Ceylon Taprobane Branch.
- Internet Banking System.

(b) A receipt should be obtained and kept for future reference.

Note :

1. **Sending Contributions:** Contributions sent without C Forms are not credited to the Employee's account and will lead to complications and penalties.
2. **Mode of Payment:** Employers have been given the option to choose the mode of payment. However, EPF recommends on-line payment/Direct Debit System in order to provide many benefits to the EPF members, employers and EPF, itself.
3. **Payment Due Date :** Relevant monthly contributions should reach EPF before the expiry of the last working day of the following month. If not, a surcharge will be imposed against the employer according to the delay.

4. Surcharges for Delayed Payments:

01 day	- 10 days	- 5%
10 days	- 01 month	- 15%
01 month	- 03 months	- 20%
03 months	- 06 months	- 30%
06 months	- 12 months	- 40%
More than 12 months		- 50%

2.3 Obtaining an ETF Registration

The organization that is concerned with this is the Employees' Trust Fund Board (ETF).

✉ Deputy General Manager (Collection & Employer Relations)
Employees' Trust Fund Board
No. 122, Nawala Road
Narahenpita
Colombo 05
Sri Lanka.

☎ 94-11- 2504982, 2500809, 2581704

📠 94-11-2503917

🌐 www.etfb.lk

The ETF does not have a separate registration procedure for making contributions. ETF contributions should also be made through the EPF registration number. Providing employees with membership numbers is the sole responsibility of the employer. An employee is entitled to ETF from the first day of his/her employment irrespective of whether he/she is permanent, temporary, apprentice, casual or a shift worker. Similarly, employees working on piece rate, contract basis and work performed basis of any manner are also eligible for membership.

The following steps should be followed to obtain a registration with the ETF Board.

Steps

1. Register with the Employees' Provident Fund (EPF) and obtain an employer number. This number should be used to pay both EPF and ETF contributions.
2. In the case of new employers who are not registered with the EPF, obtain a temporary number from the Contribution/Collection Section of ETF (Tel. 94-11-2503911) at the 10th Floor, Labour Secretariat Building, Colombo 5, Sri Lanka and contribute to the ETF pending EPF registration, to avoid the payment of Surcharges.
3. Name of employment, Mailing address, No. of employees, Name of contactable person, His/her position & contact Nos. should be provided when registering with the ETF.

Note:

Employers who contribute to Private Provident Funds should quote their PF No. for the payment of their ETF contributions and also in all monthly remittance forms, half yearly returns and other correspondences.

2.4 Paying ETF

The organization that is concerned with this is Employees' Trust Fund Board (ETF).

✉ Finance Manager (Contribution/Collection)
Employees' Trust Fund Board
10th Floor,
Labour Secretariat
Colombo 05
Sri Lanka.

☎ 94-11-2503911

🌐 www.etfb.lk

For the purpose of ETF payments, employers have been categorised into 02 categories.

1. Larger Category (Employers having over 15 employees)
2. Smaller Category (Employers having less than 15 employees)

Employers having over 15 employees should use Remittance Advice R1 and employers having less than 15 employees should use Remittance Advice R4.

For the purpose of paying ETF contributions, the following steps should be followed.

(A) Manual Payments

Steps

1. Complete the relevant Advice R1 or R4 in duplicate which should accompany the payment.

Note:

Employers making payments with R1 Form should continue to do so even if the number of employees fall below 15 in any month. Further, all Corporations and Statutory Boards should use R1 forms. The employers should send the individual member contribution details in Form II on a half yearly basis.

To change the remittance form from R4 to R1 as a result of the number of employees increasing, the ETF Office should be informed and necessary instructions obtained from the above address / contact numbers.

2. If payment is to be made by cheques/ Bank Drafts, ensure that they are crossed and made payable to ETF Board. Payments by Money Order should be made favouring “Employees’ Trust Fund”. Paying Office should be indicated as Colombo.
3. If payment is to be made by cheque/bank draft/money order, make payment by post or personally on weekdays from 0830 hrs. to 1600 hrs. at ETF Board, Head Office, Narahenpita, Sri Lanka.
4. If payment is in cash, make payment at Bank of Ceylon, Torrington Square, Colombo 7, Sri Lanka and People’s Bank at No. 475/1, Elvitigala Mawatha, Narahenpita, Sri Lanka.
5. Use a separate remittance form for each month in respect of payments of arrears. If not, a separate schedule indicating the breakdown of the total should be attached.
6. Employers should take the responsibility for surcharges imposed for delayed payments which occur due to submitting incomplete and incorrect Cheques/Remittance Forms and making payments after the due date. It is necessary to provide all information requested in the remittance forms correctly. Actions will not be taken to change the details subsequently.
7. Payments of ETF contributions in respect of future months is not in compliance with the Employees’ Trust Fund Act. Any such contributions, if received by the Board, will be returned to the respective employers.
8. When an employer makes a payment on behalf of employees by mistake or in excess, requests to refund such overpayments or set off the overpayment against other payments, should be forwarded to the Board within a period of one year from the date on which the payment was made. Such requests made by the employers after the stipulated period will not be considered.

Note:

The monthly contributions must reach the ETF Board on or before the last working day of the following month.

Otherwise the employers will be liable to pay surcharge.

(B) Electronic Payments

Facilities are available for employers to make ETF payments and upload monthly member contributions details (Form II Returns) through the internet either from the Bank of Ceylon or Commercial Bank.

1. Employers should register with the respective bank and obtain a password. Application to be filled and submitted to the bank is provided with instruction sheets. For clarifications, please contact the undermentioned officers.

Bank of Ceylon	Customer Service Officer	011-2445782/ 011-2471613
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Commercial Bank of Ceylon	Customer Service Officer	011-2353480/ 011-2353599
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Employees' Trust Fund Board	Finance Manager – Contribution Collection	011-2503911
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Employees' Trust Fund Board	Finance Manager – Contribution Collection	011-2368160
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2. Steps to be followed to make the payments and upload Form II Data (Member Details) through Internet are provided by the respective Banks.
3. In respect of surcharge payments, Surcharge Notice Number should be entered. Please note that without Surcharge Notice Number, surcharge payments cannot be made.
4. Payments can be made on any day irrespective of a bank holiday.
5. Obtain a receipt from the computer as an acknowledgement. Receipts are not issued by the ETF Board for payments made through internet.

2.5 Obtaining Taxpayer Identification Number (TIN)

The organization that is concerned with this is the Department of Inland Revenue.

✉ Commissioner
Tax Payer Service Unit
1st Floor
Department of Inland Revenue
P. O. Box 515
Chitthampalam A. Gardiner Mawatha
Colombo 02
Sri Lanka.

☎ 94-11-2328702

☎ 94-11-2135135 (Hot line)
94-11-2134170-3

🌐 www.inlandrevenue.gov.lk

Steps

1. Obtain an application form – {C152(new)} from Tax Payer Unit for the following purposes:
 - Individual Business to do a business
 - Partnership Business to do a business
 - Limited Liability Companies to do a business
 - Limited Companies to do a business
 - Company limited by guarantee to do a business
 - Companies Incorporated Outside of the Country to do a business
 - Other projects /NGO
2. Forward completed application (Relevant original documents with photocopies) to the assessor of the Tax Payer Services Unit for verification. TIN application should be signed by the proprietor/partner of the business or director of secretary of the company, or holder of attorney power.
3. The assessor will check the accuracy of the Name, Address, Telephone No., National Identity Cord (NIC) No., Company Registration No., Date of Commencement of Business, Income Tax File No., (if available) and then issue TIN if a number has not been issued previously.
4. Obtain the TIN Certificate.

Documents required

(i) Individual Business/Partnership Business:

- a. **For clearing and forwarding** – Certificate of Registration of Business, National identity card/Valid Passport of the owner of the business/partners of the business.
- b. **For registration of VAT, Economic Service Charge (ESC) & Nation Building Tax (NBT)** – Certificate of Registration of Business, Photo Copies of the National Identity card/Valid Passport of the proprietor or partners, necessary documents to verify Business Turnover – Agreements, Bank statements, Withholding Tax Certificates, Invoices *etc.*
- c. **For Imports** – Certificate of Registration of Business, National Identity card/Valid Passport of the proprietor or partners, Commercial Invoice, Bill of Lading/Airway Bill.
- d. **For Exports** – Certificate of Registration of Business, National Identity Card/Valid Passport of the owner of the Business (Original National Identity Card/Valid Passport of the proprietor or partners), Registration Certificates of Export Development Board (EDB), Coconut Cultivation Board (CCB) (if relevant), Tea Board (if relevant) and license of Gem & Jewellery Authority (if relevant).

Note: Originals together with photocopies of above documents should be submitted in each case.

(ii) Limited Liability Companies:

For imports, exports, clearing & forwarding and to register for Income Tax, VAT, ESC, NBT, Pay As You Earn (PAYE), Stamp Duty, Withholding Tax, *etc.*

- a. **Registered under the Companies Act No. 17 of 1982 (Registered before 03/05/2007)**
Certificate of Incorporation (Re-registration) – Form 41, Form 40 – certified by the Registrar of Companies, Memorandum of Association/Articles of Association with signatures of the Directors and the Notary Public, NIC/valid passports of the Directors.
- b. **Registered under the Companies Act No. 07 of 2007 (Registered after 03/05/2007)**
Certificate of Incorporation – Form 2A, Form 01 – certified by the Registrar of Companies, Articles of Association with signatures of the Directors and the Notary Public, BOI Registration Certificate and BOI Agreement (if relevant), NIC/valid passports of the Directors.

Note: Originals together with photocopies of above documents should be submitted in each case (Certified copies of NIC/passports of Directors are valid).

(iii) Limited Companies

Certificate of Incorporation – Form 2C – Certified copy of form 01 issued by the Registrar of Companies, Articles of Association with signatures of the Directors, National Identity Cards/Valid passports of the Directors.

Note: originals together with photocopies of above documents should be submitted in each case (Certified copies of NIC/passports of Directors are valid).

(iv) Company limited by guarantee

Certificate of incorporation – Form 2D – certified copy of form 5 issued by the Registrar of Companies, Articles of Association with signatures of Directors, Photocopies of the National Identity Cards/Valid Passports of the Directors.

Note: originals together with photocopies of above documents should be submitted in each case (Certified copies of NIC/passports of Directors are valid).

(v) Companies Incorporated Outside the Country

a. Registered under the Companies Act No. 17 of 1982 (Registered before 03/05/2007)

Certificate of Incorporation, Full address of the registered or principal office of the company (Form 56) – certified by the Registrar of Companies, List of particulars of the directors of a company (Form 57), list of the names and addresses of persons resident in Sri Lanka authorized to accept service on behalf of the company (Form 58), Articles of Association with signatures of the Directors, NIC/valid passports of the Directors.

b. Registered under the Companies Act No. 17 of 1982 (Registered after 03/05/2007)

Certificate of Incorporation, Full address of the registered or principal office a company (Form 44) – certified by the Registrar of Companies, list of particulars of the directors of a company (Form 45), list of the names and addresses of persons residing in Sri Lanka authorized to accept service on behalf of the company (Form 46), Articles of Association with signatures of the Directors, NIC/valid passports of the Directors.

Note: Originals together with photocopies of above documents should be submitted in each case (Certified copies of NIC/passports of Directors are valid).

(vi) **Other Projects /NGO**

Request letter of Project Director, Project Agreement, Relevant Certificate of registration

Additional Information:

Obtaining permanent or temporary registration for VAT – all business that are involved with import, export, clearing and forwarding are required to submit permanent/temporary VAT registration numbers to the Department of Customs. Form VAT 11 or VAT 12 along with the same documents required for TIN number and a photocopy of TIN Certificate should be submitted to the permanent VAT Registration Unit or Taxpayer Services Unit of the Inland Revenue Department to obtain a permanent VAT registration or temporary VAT registration number.

2.6 Registering a Vehicle

The organization that is concerned with this is the Department of Motor Traffic.

✉ Commissioner General of Motor Traffic
Department of Motor Traffic
341, Elvitigala Mawata
Narahenpita
Colombo 5
Sri Lanka.

☎ 94-11-2694331, 2694332, 2694333, 2694334, 2694335,
2694336

📠 94-11-2694338

🌐 www.motortraffic.gov.lk

The following steps are required to register a new motor vehicle.

Steps

1. Obtain an application form (MTA2) from Department of Motor Traffic, Divisional Secretariats, or download an application from the website (www.motortraffic.gov.lk).
2. Submit completed application with the following documents:
 - (i) Two (2) photographs of the vehicle owner (3.5 cm x 2.5 cm, black & white or colour), the Grama Niladhari in the relevant area, Justice of Peace or the vehicle importer should certify on the reverse of the photograph. (If the vehicle owner presents himself and personally submits his application for registration, the supervising Officer of the relevant section can certify the photograph on production of the identity card).
 - (ii) A certified photocopy of the identity card/driving licence/valid passport of the vehicle owner.
 - (iii) In case of a reconditioned vehicle cancelled overseas, Certificate of Registration (along with English translation of the Certificate).
 - (iv) Customs Entry (Exchange copy/Customs-53).
 - (v) Customs Assessment Notice.
 - (vi) Relevant invoice relating to new vehicles.
 - (vii) Certificate issued by a Motor Vehicle examiner after the vehicle has been examined (Certificate of Weight) or prototype of the vehicle instead of examination and relevant certificate

of motor vehicle chassis number and engine number are examined and certified by a Motor Vehicle Examiner.

- (viii) If the vehicle has been imported on an import license, originals of such licence and amendments thereof if available.
- (ix) Duly perfected Form MTA 3 for the registration of absolute ownership.
- (x) If registered with a mortgage a certified copy of the mortgage deed with official stamp.
- (xi) Pre-Shipment Inspection Certificate issued by Bureau Veritas (and Japan Auto Appraisal Institute for Japan) of the relevant exporting country for reconditioned vehicles (other than special purpose & land vehicles) of H.S. Codes 87.01, 87.02, 87.03, 87.04 and 87.05 (only for the vehicles shipped after 01.03.2007).
- (xii) Two post card size coloured photographs of the vehicle (front and left or right side). Owner should be certify if mentioning the chassis number and engine number.

Note:

1. A separate application should be submitted for the allocation of a specific number and engine number within 30,000 numbers ahead, will be charge additionally according to as follows:

1	–	10,000	–	Rs. 50,000/-
10,001	–	20,000	–	Rs. 60,000/-
20,001	–	30,000	–	Rs. 70,000/-

2. In case of a vehicle purchased in an auction of Customs, Posts Authority, Courts and three Armed Services, the letter and payment receipts obtained from the relevant institutions are required.

Charges of Vehicle New Registration – 2012

Vehicle Category	Registration Fee (Rs.)	Number Plate Charges (Rs.)	Inspection Charges for Weight Certificate (Rs.)	Postal Charges (Rs.)	Total (Rs.)	Fee Payable (Rs.)
						More than 30 days but less than 1 year More than 1 year but less than 2 years More than 2 years but less than 3 years More than 3 years but less than 5 years More than 5 years
Motor Car / Jeep	Upto 1,600 CC – Rs. 15,000/-	3,300/-	500/-	50/-	18,850/-	6,000/-
	Over 1600 CC – Rs. 20,000/-	3,300/-	500/-	50/-	23,850/-	7,500/-
Three Wheel Car	15,000/-	3,300/-	500/-	50/-	18,850/-	10,000/-
Dual Purpose Vehicle	15,000/-	3,300/-	500/-	50/-	18,850/-	15,000/-
Single Cab	15,000/-	3,300/-	500/-	50/-	18,850/-	25,000/-
Motor Lorry	3,000/-	3,300/-	500/-	50/-	6,850/-	4,000/-
						5,000/-
						6,800/-
						7,800/-
						9,800/-

Contd.

Vehicle Category	Registration Fee (Rs.)	Number Plate Charges (Rs.)	Inspection Charges for Weight Certificate (Rs.)	Postal Charges (Rs.)	Total (Rs.)	Fee Payable (Rs.)
Motor Coach	3,000/-	3,300/-	-	50/-	6,350/-	More than 30 days but less than 1 year 7,000/- More than 1 year but less than 2 years 8,400/- More than 2 years but less than 3 years 9,500/- More than 3 years but less than 5 years 10,500/- More than 5 years 13,500/-
Special Purpose Vehicles	20,000/-	3,300/-	500/-	50/-	23,850/-	More than 30 days but less than 1 year 3,000/- More than 1 year but less than 2 years 5,000/- More than 2 years but less than 3 years 7,000/- More than 3 years but less than 5 years 9,000/- More than 5 years 10,000/-
Motor Ambulance	10,000/-	3,300/-	500/-	50/-	13,850/-	More than 30 days but less than 1 year 2,000/- More than 1 year but less than 2 years 2,500/- More than 2 years but less than 3 years 3,000/- More than 3 years but less than 5 years 4,000/- More than 5 years 4,500/-

Contd.

Vehicle Category	Registration Fee (Rs.)	Number Plate Charges (Rs.)	Inspection Charges for Weight Certificate (Rs.)	Postal Charges (Rs.)	Total (Rs.)	Fee Payable (Rs.)
Motor Hearse	10,000/-	3,300/-	500/-	50/-	13,850/-	More than 30 days but less than 1 year 6,000/- More than 1 year but less than 2 years 7,000/- More than 2 years but less than 3 years 8,000/- More than 3 years but less than 5 years 9,000/- More than 5 years 10,000/-
Motor Lorry Trailer	7,500/-	3,300/-	500/-	50/-	11,350/-	More than 30 days but less than 1 year 5,000/- More than 1 year but less than 2 years 6,000/- More than 2 years but less than 3 years 7,000/- More than 3 years but less than 5 years 8,000/- More than 5 years 9,000/-
Land Vehicle / Four Wheel Tractors	7,000/-	2,400/-	500/-	50/-	9,950/-	More than 30 days but less than 1 year 2,750/- More than 1 year but less than 2 years 4,500/- More than 2 years but less than 3 years 6,000/- More than 3 years but less than 5 years 7,000/- More than 5 years 8,000/-

Contd.

Vehicle Category	Registration Fee (Rs.)	Number Plate Charges (Rs.)	Inspection Charges for Weight Certificate (Rs.)	Postal Charges (Rs.)	Total (Rs.)	Fee Payable (Rs.)
Hand Tractor	1,500/-	2,400/-	500/-	50/-	4,450/-	More than 30 days but less than 1 year
						1,750/-
						More than 1 year but less than 2 years
						2,000/-
						More than 2 years but less than 3 years
2,500/-						
Tractor Trailer / Bowser	6,000/-	3,300/-	500/-	50/-	9,850/-	More than 3 years but less than 5 years
						3,500/-
						More than 5 years
						5,000/-
						2,000/-
Prime Movers	15,000/-	3,300/-	500/-	50/-	18,850/-	More than 30 days but less than 1 year
						4,000/-
						More than 1 year but less than 2 years
						5,000/-
						More than 2 years but less than 3 years
7,000/-						
						More than 3 years but less than 5 years
						9,000/-
						10,000/-

Contd.

Vehicle Category	Registration Fee (Rs.)	Number Plate Charges (Rs.)	Inspection Charges for Weight Certificate (Rs.)	Postal Charges (Rs.)	Total (Rs.)	Fee Payable (Rs.)
Motor Tricycle	2,500/-	2,800/-	-	-	5,300/-	More than 1 year but less than 2 years 3,000/- More than 2 years but less than 3 years 4,000/- More than 3 years but less than 5 years 5,000/- More than 5 years 6,000/-
Motor Tricycle Van	3,000/-	2,800/-	-	-	5,800/-	More than 1 year but less than 2 years 4,000/- More than 2 years but less than 3 years 5,000/- More than 3 years but less than 5 years 7,000/- More than 5 years 9,000/-
Alternative Fuel Motor Vehicle	1,500/-	-	-	50/-	-	More than 30 days but less than 1 year 2,000/- More than 1 year but less than 2 years 2,500/- More than 2 years but less than 3 years 3,000/- More than 3 years but less than 5 years 3,500/- More than 5 years 4,000/-
Electrically Powered Vehicle						

Contd.

Vehicle Category	Registration Fee (Rs.)	Number Plate Charges (Rs.)	Inspection Charges for Weight Certificate (Rs.)	Postal Charges (Rs.)	Total (Rs.)	Fee Payable (Rs.)
Invalid Carriage	1,000/-	-	-	50/-	-	More than 30 days but less than 1 year 2,000/- More than 1 year but less than 2 years 2,500/- More than 2 years but less than 3 years 3,000/- More than 3 years but less than 5 years 4,000/- More than 5 years 5,000/-
Motor Cycle	2,000/-	2,400/-	-	-	4,400/-	From the date of sale, More than 30 days but less than 1 year 1,500/- More than 1 year but less than 2 years 1,750/- More than 2 years but less than 3 years 2,000/- More than 3 years but less than 5 years 2,500/- More than 5 years 4,000/-

2.7 The Issuing Shares to the Public

The organization that facilitates listing of securities is the Colombo Stock Exchange (CSE).

✉ Chief Executive Officer
Colombo Stock Exchange
World Trade Center, Echelon Square
Colombo 01
Sri Lanka.

☎ 94-11- 2356456, 2356500, 2356565

📠 94-11- 2445279, 2440165

🌐 www.cse.lk

Introduction

- Companies can list Equity and / or Debt securities on the CSE in a manner that best suits their requirements and in accordance with the Listing Rules of the CSE.
- The company is allowed to choose the extent of a public issue, thus enabling the company to exercise control over the cost and speed of the listing.
- The company can decide whether the issue should be underwritten, and in the event of an issue being oversubscribed, the company can decide the basis of allotment of its securities as set out in the Listing Rules. In terms of Rule 2.4(i) of the CSE Listing Rules, the 'allotment' referred to herein should be made in a Fair Manner as set out in the Listing Rules.
- Listing of Securities on the CSE provides exit route to promoters / founders, early investors or family members, as well as employees who have received share options. Pursuant to the SEC Directive dated 2nd March 2012 (SEC/LEG/12/03/07), certain shares of the company will be locked-in upon same being listed on the CSE and hence the said shares will not be available for set out therein.
- Public issues provide an opportunity to raise capital to fund new projects, undertake expansions / diversifications and for acquisitions.
- Further capital could be raised by a further issue of securities by a Listed Company in the manner set out in Section 5 of the Listing Rules.
- Units of closed-end funds may also be listed on the CSE.

Initial Listing Procedure

Steps

1. Amendments to the Articles of Association or other corresponding documents

The company is required to incorporate specific provisions into the company's Articles. The provisions are set out under section 6 of the CSE Listing Rules. A company incorporated as a Private Company is required to be converted to a Public Company.

2. Preparation of Prospectus / Introductory Document

A company seeking to list through an Offer for Subscription or an Offer for Sale, will be required to publish a Prospectus in compliance with the Companies Act / CSE Listing Rules and any other applicable law. A company seeking to list through an Introduction will be required to issue an Introductory Document. It is necessary for the Introductory Document to be in compliance with Rule 3.3 of the CSE Listing Rules.

3. Submission of Initial Listing Application

The company must submit an application for the initial listing. The required documents are specified in Section 2 of the CSE Listing Rules.

The CSE requirements include:

- A certified copy of the Certificate of Incorporation
- A certified copy of the company's Articles of Association
- An extract of a Board Resolution certified by the Company Secretary that in the opinion of the Board the consideration for which the shares are to be issued is fair and reasonable to the Entity and to the shareholders as required by the Companies Act
- "Listing Undertaking" filled in conformity with Appendix 2B of the CSE listing rules
- A certified copy of every document mentioned in the Prospectus / Introductory Document
- A draft of the Prospectus / Introductory Document
- Initial Listing application in conformity with Listing Rules
- A Board Resolution authorising the initial Listing Application certified by the Company Secretary to be a 'true copy', Fees are prescribed in Section 10 of the CSE Listing Rules

In addition to the above documents an Initial Listing Application for Debt should include the following:

- A declaration by the Entity confirming that the Entity has complied with the requirements of the Companies Act. The declaration should also contain a confirmation that the Company has complied with the Requirements set out

in Rule 2.2.1(e), (ii), (iii) and (iv) of the CSE Listing Rules [Rule 2.2.2(h)]

- A copy of the Trust Deed, Guarantee Agreement and Debenture Certificate each in draft form. The Trust Deed should be in compliance with Appendix 3B of the CSE Listing Rules.

Note:

Only debt securities and units of a fund can be listed by way of an introduction.

4. Complying with requirements and procedures for a public issue

The issuing company will be required to distribute Prospectus and application forms relating to the issue before the date of opening of the subscription list. The Prospectus and application forms relating to the issue should be made available to all member firms and trading members at least 7 market days before the opening of the subscription lists [Rule 2.4 (e) of the CSE Listing Rules].

Cost of Listing

Equity:

- Initial listing fees – Rs. 150,000/-
- Further issue of Securities – Rs. 50,000/-
- Further issue of shares through public subscription – Rs. 75,000/-
- Further issue of shares of a class which is not already listed – Rs. 50,000/-
- Annual listing fees – Rs. 50,000/- or 0.003% of the market capitalization of the Listed Entity as at 31st December of the year immediately preceding, whichever is higher, however subject to a Maximum of Rs. 1,000,000/-

The fees stated herein exclude applicable taxes.

Debt:

- Initial listing fees – Rs. 100,000/-
- Annual listing fees – Rs. 50,000/-

The fees stated herein exclude applicable taxes.

Funds:

- **The Initial Listing Fee** would not be applicable, when units of closed-end funds are listed on the CSE (Please refer Rule 10.3 of the CSE Listing Rules).

Annual listing fees: Rs.50,000/-

(To be charged from the Managing Company).

Service Charges payable to Central Depository System

The transaction fee payable to the CDS is Rs. 15/- per transaction, subject to a minimum charge of Rs. 10,000/- and a maximum charge of Rs. 500,000/- per annum. The fee will be based on transactions executed from January to December in each calendar year.

Fees are payable with the application and are non-refundable.

5. Complying with Disclosure Requirement

Immediate announcements must be made to the CSE of information that may have a material effect on the price of the listed security.

Some of such information that is considered by the Board that requires 'prompt announcements' include:

- A decision to declare dividends
- Any decision to change the stated capital of the company, including decisions regarding Rights and capitalization of reserves issues
- A change in control of the Entity
- Incorporation of subsidiary

(Please refer Appendix 8A of the CSE Listing Rules)

6. Compliance with rules on Corporate Governance

Listed Companies are required to comply with certain Corporate Governance rules as set out in Section 7 of the Listing Rules. These include rules relating to Non Executive Directors, Independent Directors, Remuneration Committees and Audit Committees. If a listed entity is required by any law applicable to such Listed Entity to comply with rules on Corporate Governance promulgated under such law, the CSE Board may exempt such listed entity from complying with the corporate governance rules either in full or in part.

7. Submission of the Annual Report

Listed companies are required to comply with Sri Lanka Accounting Standards when preparing audited financial statements which are included in the Annual Report. However, the Listing Rules of the CSE require the Annual Report to include some additional information.

The Annual Report, as defined by the CSE Listing Rules, must include the audited financial statements of the Company and the disclosures required by Rule 7.6 of the CSE Listing Rules and must be circulated to shareholders before the expiry of five (5) months from the end of the financial year. In addition, Thirty Five

copies of the Annual Report should also be given to the Exchange along with 1 copy in a CD-ROM. The disclosures required under Rule 7.10 of the CSE Listing Rules should be included in the Annual Report. If a Company prior to circulating the Annual Report, files copies of financial statements with the Registrar General of Companies in compliance with Section 170(1) of the Companies Act, the Company should also simultaneously submit such financial statements to the Exchange [Rule 7.5(d) of the CSE Listing Rules].

Without prejudice to the other provisions relating to issuance of annual reports, a listed Entity may issue annual report in a CD-ROM to its shareholders provided that the Entity complies with requirements set out in Section 7.5(b) of the Listing Rules.

8. Submission of Interim Financial Statements

Equity

Companies listed on the Main Board must submit interim financial statements to the CSE, prepared in accordance with Sri Lanka Accounting Standard (SLAS) 35 and Rule 7.4 of the CSE Listing Rules, in the following manner:

- The interim financial statements should be released within 45 days in respect of the first three quarters and within two months from the final quarter.
- Companies listed on the Diri Savi Board are required to submit half-yearly financial statements to the CSE, prepared in accordance with SLAS 35 and Rule 7.4 of the CSE Listing Rules, not later than 2 months from the end of the half year.

Debt

Companies that have listed Debt securities on the main Board with the CSE must submit interim financial statements to the CSE and to all shareholders, prepared in accordance with Sri Lanka Accounting Standard (SLAS) 35 and Rule 7.4 of the CSE Listing Rules in the following manner:

- First three (3) quarters of the financial year, within 45 days from the end of each quarter.
- Final quarter of the financial year, within two (2) months from the end of the quarter.

Rule 7.4 of the CSE listing rules applies to Companies listing both Equity and Debt in respect of the submission of Interim Financial Statements.

- Companies who have listed Debt securities on the Second Board must submit the interim financial statement to the CSE not later than two (2) months from the end of the half year.

9. Trading of Shares

Once a company is listed, it is mandatory that trading of its shares takes place through the Exchange. Off the market transfers of shares are permitted only by way of a Private Transfer (under very exceptional circumstances or gifting within immediate family). The Private Transfers referred to herein are subject to the approval of the Securities and Exchange Commission of Sri Lanka.

Note:

Additional Listing of Shares

If a company has listed a particular class of shares, any further issue of shares of the same class, *i.e.* Rights or capitalization of reserves issues are only permitted after the company submits an additional listing application and such application has been approved in principle by the CSE.

Insider Dealing Regulations

Insider Dealing is buying or selling of shares by a person when they are privy to material, undisclosed, price-sensitive information. Insider dealing is an offence under the Securities and Exchange Commission Act.

A Director or member of the Senior Management of a company will usually have more access to information about the company. This in itself would not debar an insider from trading in the securities of that company, unless such information has not been disclosed to the public. In such cases, insiders are required to refrain from trading until 2 market days after the information is disseminated. In computing this period, the date on which the disclosure is made will be excluded (Rule 8.6 of the CSE Listing Rules).

10. Takeovers & Mergers Code

Companies that list on the CSE are also subject to the Takeovers & Mergers Code of the Securities and Exchange Commission of Sri Lanka. The Takeovers and Mergers Code regulates all substantial and procedural aspects related to all takeovers and mergers where the offeree is a Listed Public Company.

Mandatory requirements under the Takeovers and Mergers Code

Where any person –

- (a) acquires shares, whether by a series of transactions over a period of time or otherwise, which taken together with shares held or acquired by persons acting in concert with such person, carry 30% or more of the voting rights of a company:
or

- (b) together with persons acting in concert with such person, holds not less than 30% and not exceeding 50% of the voting rights of a company and such person or any persons acting in concert with him acquires in any period of twelve months, additional shares carrying more than 2% of the voting rights. Such person shall extend within thirty-five days, an offer in accordance with this rule to the holders of any class of equity shares which carry voting rights and in which such person or persons acting in concert with him, hold shares.

Acting in Concert

any person acting in concert means an individual or a company and their nominees who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate control of that company, and include the following:

- a. a company, its parent company, any subsidiary company and any subsidiary of any such subsidiary company, and any company in which such parent or subsidiary company owns or controls 20% or more of the equity shares of that company, and any company in which 20% or more of the equity shares are owned by the last mentioned company, each with the other;
- b. a company with any of its directors (together with their close relations and trusts established to hold the interests of such directors or close relations);
- c. a company with any of its pension funds.

“close relation” means the spouse, child or spouse of a child, grandchild or spouse of a grandchild, any parent, brother or sister, and their spouses.

10% disclosure requirement

Any person or persons acting in concert with such person who acquire or hold 10% or more of the shares or voting rights of a company shall report their holdings to such company, to the SEC and the CSE within two market days of such an acquisition.

Note:

Please refer to the Listing Rules of the CSE for the entire set of rules governing the listing of securities on the Colombo Stock Exchange.

2.8 Obtaining a Bank Loan

The following steps are required to obtain a loan from a Bank.

Addresses and Contact Numbers of Head Offices of banks operating in Sri Lanka : See Annex I

Steps

1. Participate in initial discussion / interview with the Branch Manager / Relationship Officer / Credit Officer.

At this meeting the customer explains the requirement of the loan and the manager / officer verifies the financial position of the customer with regard to repayment, business background, tax payments, and the identity of the customer (National Identity Card, Passport, Driving License and the permanent mailing address) *etc.*

2. Handover the completed application with relevant documents to the relevant bank official.

Documents required:

- (i) Deed / Title Report
 - (ii) Deed extracts
 - (iii) Survey plan within 30 years
 - (iv) Tax Documents
 - (v) Valuation Report
 - (vi) Title Insurance Policy, if necessary
 - (vii) In the event the applicant is a company, a certified copy of the resolution passed by the Board of Directors in respect of obtaining the loan, details of authorised signatories *etc.*
 - (viii) Necessary documents from the respective Local Authority (receipts of payment of rates, building line certificate, street line certificate and non-vesting certificate *etc.*)
 - (ix) Guarantees, personal or otherwise, if necessary
 - (x) Any other documents, if requested by the bank
3. Application is processed by the credit officer.
 - (i) Clearance from the Legal Department
 - (ii) Project Evaluation
 - (iii) Customer Evaluation
 - a. Cash flow analysis
 - b. Creditworthiness of the Customer with necessary authorities such as Credit Information Bureau of Sri Lanka
 - c. Past relationship with the bank

4. Submit the application for the approval by the credit officer based on the delegation of authority.
5. Send a copy of the approval to the bank's Legal Department.
6. Providing the offer letter.
7. Disbursement of the loan (within two weeks, minimum).

2.9 Opening a Bank Account

2.9.1 Savings Account

Addresses and Contact Numbers of Head Offices of Banks operating in Sri Lanka : See Annex I

The following steps are required to open a Savings Account in a Bank branch which provides savings account facilities.

Steps

1. Obtain an application from the relevant bank branch.
2. Complete the application with attachments such as signature form, know your customer (KYC) form and the Customer Identification Form (CIF) provided by the bank branch and hand over to the relevant officer. Identification documents such as National Identity Card, Passport, Driving license and the permanent mailing address will be obtained by the relevant officer.

Note:

In the event the customer is a company, the following documents may be requested by the bank.

- (i) Incorporation Certificate/Business Registration Certificate, as applicable
 - (ii) Copy of the resolution passed by the Board of Directors in respect of opening the account, certified by the Company Secretary
 - (iii) Details of authorized signatories to open and operate the account
 - (iv) Any other document, if requested by the bank.
3. Handover the completed application and the relevant officer will feed information to the system and issue a deposit slip to make the initial deposit.
 4. The relevant officer will open a pass book and update same with the details of the customer and the initial deposit.
 5. The updated pass book will be sent to a senior officer for approval and signature verification.
 6. Issuance of the passbook will be entered in the pass book register and pass book will be handed over after obtaining the signature of the customer.

Note:

Time frame taken to open a Savings Account is less than an hour

2.9.2 Current Account

Address and Contact Numbers of Head Offices of Banks operating in Sri Lanka : See Annex I

The following steps need to be followed in opening a Current Account in a Bank branch which provides current account facilities.

Steps

1. Obtain an application from the relevant bank branch. However, if you are a new customer to the respective bank, generally an introduction from an existing current account holder of the relevant bank will be requested.
2. Handover the completed application with other documents requested.

Documents required:

- (i) Application with Signature Cards
 - (ii) If the customer is a company:
 - a. Certificate of Incorporation / Business registration certificate
 - b. Articles of Association / Partnership Deed
 - c. Copy of the resolution passed by the Board of Directors approving the opening and operation this account, certified by the Company Secretary
 - d. Copies of Forms 01, 13, 20 and 40, as applicable, certified by the Company Secretary
 - e. Details of authorised signatories for opening and operating of the account
 - (iii) KYC Form
 - (iv) Details of the introducer of the new customer
 - (v) Any other document, if requested by the bank.
3. Having been satisfied with the details, the relevant officer feeds the information of the customer to the system with necessary approvals from the branch / senior management.
 4. Make the initial deposit for the account. This may vary from bank to bank.
 5. Apply for the cheque book by completing reorder form after signature verification.
 6. Cheque book will be handed over within two days or at the same time to the customer and after entering the issuance of the cheque book in the Cheque Book Register. Signature of the customer will be taken in the register.
 7. A statement with your details and the initial deposit will be sent to you.

Contact Details of LCBs & LSBs

<i>No.</i>	<i>Name & Address</i>	<i>Telephone No. General No., Fax & E-Mail</i>
Licensed Commercial Banks (LCBs)		
1.	Amana Bank Ltd. 480, Galle Road, Colombo 3, Sri Lanka.	94-11-7756000 Fax: 94-11-2574419 fsalieh@amana.lk
2.	Axis Bank Ltd. 356, Galle Road, Kollupitiya Colombo 3, Sri Lanka.	94-11-2577720-21 Fax: 94-11-2577724 ashok.basu@axisbank.com
3.	Bank of Ceylon BOC Square, No. 1, Bank of Ceylon Mawatha, Colombo 1, Sri Lanka.	94-11-2446790-811 Fax: 94-11-2544324 gm@boc.lk
4.	Citibank, N.A. 65C, Dharmapala Mawatha, Colombo 7, Sri Lanka.	94-11-2447316-8 Fax: 94-11-4794749 ravin.basnayake@citi.com
5.	Commercial Bank of Ceylon PLC 21, Sir Razik Fareed Mawatha, Colombo 1, Sri Lanka.	94-11-2430420 Fax: 94-11-2449889 ravi_dias@combank.net
6.	Deutsche Bank AG 86, Galle Road, Colombo 3, Sri Lanka.	94-11-2447062 Fax: 94-11-2446447 rohan.rodrigo@db.com
7.	DFCC Vardhana Bank PLC 73, W A D Ramanayake Mawatha, Colombo 2, Sri Lanka.	94-11-2371371 Fax: 94-11-2371372 Lakshman.Silva@dfccvardhanabank.com
8.	Habib Bank Ltd. 70 A, Dharmapala Mawatha, Colombo 3, Sri Lanka.	94-11-2370391 Fax: 94-11-2370389 sherwani@hbl.lk
9.	Hatton National Bank PLC HNB Towers, Lever 21, 479, T B Jaya Mawatha, Colombo 10, Sri Lanka.	94-11-2664664 Fax: 94-11-2662735 theaga@hnb.lk
10.	Hongkong & Shanghai Banking Corporation Ltd (HSBC) 24, Sir Baron Jayatilake Mawatha, Colombo 1, Sri Lanka.	94-11-2446591 Fax: 94-11-2430205 ceosrilanka@hsbc.com.lk
11.	ICICI Bank Ltd. 58, Dharmapala Mawatha, Colombo 7, Sri Lanka.	94-11-4242448 Fax: 94-11-4242442 biju.jacob@icicibank.com

<i>No.</i>	<i>Name & Address</i>	<i>Telephone No. General No., Fax & E-Mail</i>
12.	Indian Bank 57, Sir Baron Jayatilake Mawatha, Colombo 1, Sri Lanka.	94-11-2323402/3 Fax: 94-11-2447562 ibcol@sltnet.lk
13.	Indian Overseas Bank 139, Main Street, Colombo 11, Sri Lanka.	94-11-5324422-4 Fax: 94-11-2447900 iobch@lgo.lk
14.	MCB Bank Ltd. 8, Leyden Bastian Road, Colombo 1, Sri Lanka.	94-11-2448765/6 Fax: 94-11-2440569, 2448764 azfar.nomani@mcb.com.lk
15.	National Development Bank PLC 40, Navam Mawatha, Colombo 2, Sri Lanka.	94-11-2448448 Fax: 94-11-2440262 russell.demel@ndbbank.com
16.	Nations Trust Bank PLC 242, Union Place, Colombo 2, Sri Lanka.	94-11-4313131 Fax: 94-11-2307854 Saliya.Rajakaruna@nationstrust.com
17.	Pan Asia Banking Corporation PLC 450, Earl's Court, Galle Road, Colombo 3, Sri Lanka.	94-11-2565570 Fax: 94-11-2565558 claude.peiris@pabcbank.com
18.	People's Bank 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 2, Sri Lanka.	94-11-2327841-6 Fax: 94-11-2446411 ceogm@peoplesbank.lk
19.	Public Bank Berhad 340, R. A. de Mel Mawatha, Colombo 3, Sri Lanka.	94-11-2576289-92 Fax: 94-11-2573958 angelofernando@publicbank.spt.lk
20.	Sampath Bank PLC 2nd Floor, Sampath Centre, 110, Sir James Peiris Mawatha, Colombo 2, Sri Lanka.	94-11-4730630 Fax: 94-11-2300142 aravinda@sampath.lk
21.	Seylan Bank PLC Ceylinco Seylan Towers, 90, Galle Road, Colombo 3, Sri Lanka.	94-11-2456789 Fax: 94-11-2452597 gm@seylan.lk
22.	Standard Chartered Bank 37, York Street, Colombo 1, Sri Lanka.	94-11-2446160 Fax: 94-11-2422618 Anirban.Ghosh-Dastidar@sc.com
23.	State Bank of India 16, Sir Baron Jayatilake Mawatha Colombo 1, Sri Lanka.	94-11-4622353 Fax: 94-11-4622319 ceo.lk@statebank.com
24.	Union Bank of Colombo PLC 64, Galle Road, Colombo 3, Sri Lanka.	94-11-4525525 Fax: 94-11-2370971 anila@unionb.com

<i>No.</i>	<i>Name & Address</i>	<i>Telephone No. General No., Fax & E-Mail</i>
Licensed Specialised Banks (LSBs)		
1.	MBSL Savings Bank Ltd. 2, Deal Place, Colombo 3, Sri Lanka.	94-11-2374000 Fax: 94-11-2374041 sujamr@mbslsavingsbank.com
2.	DFCC Bank 73/5, Galle Road, Colombo 3, Sri Lanka.	94-11-2442442 Fax: 94-11-2440376 Nihal.Fonseka@dfccb.com
3.	Housing Development Finance Corporation Bank of Sri Lanka (HDFC) P.O. Box 2085, Sir Chittampalam A. Gardiner Mawatha, Colombo 2, Sri Lanka.	94-11-2446241 Fax: 94-11-2446392 ceo@hdfc.lk
4.	Lankaputra Development Bank Ltd. 80, Nawala Road, Nugegoda, Sri Lanka.	94-11-2821030-35 Fax: 94-11-2821031 gm@lankaputra.lk
5.	National Savings Bank 255, Galle Road, Colombo 3, Sri Lanka.	94-11-2573008/15 Fax: 94-11-2370740 gm@nsb.lk
6.	Sanasa Development Bank PLC 12, Edmonton Road, Kirulapone, Colombo 6, Sri Lanka.	94-11-2832500/502 Fax: 94-11-2514246 mamaduwa@sdb.lk
7.	State Mortgage & Investment Bank 269, Galle Road, Colombo 3, Sri Lanka.	94-11-2573561 Fax: 94-11-2573346 dgmfp@smib.lk
8.	Sri Lanka Savings Bank Ltd. 265, Ward Place, Colombo 7, Sri Lanka.	94-11-2691721-4 Fax: 94-11-2674705 slsbl@sltnet.lk
9.	Pradeshiya Sanwardana Bank 12th Floor, Access Tower, 278, Union Place, Colombo 2, Sri Lanka.	94-11-2302360 Fax: 94-11-2305856 siriwardhaner@rdb.lk

2.10 Opening a Bank Account for Foreign Investors

Foreign Investors are able to open several accounts with licensed commercial banks to facilitate investments into Sri Lanka.

Type of Bank Accounts

1. Special Foreign Investment Deposit Accounts – SFIDA
2. Securities Investment Account – SIA
3. Inward Investment Account – IIA
4. Rupee Accounts for Non-Resident Sri Lankan Investment – RANSI

1. Special Foreign Investment Deposit Accounts – SFIDA

Eligible Investors

Citizens of foreign states, Sri Lankan citizens resident outside Sri Lanka, corporate bodies incorporated outside Sri Lanka and foreign institutional investors.

Note : An SFIDA can be maintained in any designated foreign currency or in Sri Lanka Rupees.

Permitted Credits include proceeds of inward remittances and foreign currency brought into the country by the account holder. Debits to other SFIDAs, transfers to FCBU accounts, outward remittances and disbursements of the account holder in Sri Lanka are allowed. An SFIDA is exempted from Income Tax, Withholding Tax and other levies.

2. Securities Investment Account – SIA

Eligible Investors

Non-resident Sri Lankans, citizens of foreign states whether resident in Sri Lanka or outside Sri Lanka, corporate bodies incorporated outside Sri Lanka, foreign institutional investors.

Note : An SIA facilitates investments in Government Securities (Treasury Bills and Treasury Bonds), debentures, shares of companies incorporated in Sri Lanka and units of Unit Trusts in Sri Lanka. All benefits earned out of the said investments could be credited into the same SIA and remitted outside Sri Lanka.

3. Inward Investment Account – IIA

Eligible Investors

Companies incorporated outside Sri Lanka and registered as overseas companies under Companies Act, No. 7 of 2007 to carry on business in Sri Lanka through a place of business such as a branch, project, liaison, representative office or similar office

Note : An account may be initially opened in the name of the parent company incorporated outside Sri Lanka and be re-designated in the name of the company registered in Sri Lanka, upon submission of a certified copy of the Certificate of Registration.

Permitted credits are Rupee proceeds of inward remittances received in convertible foreign currencies and local revenue of the overseas company. Debits would include profit, royalty, franchise or other similar payments or surplus funds net of tax.

4. Rupee Accounts for Non-Resident Sri Lankan Investment – RANSI

Eligible Investors

This is a special account to encourage Sri Lankan citizens resident outside Sri Lanka to remit their foreign exchange earnings for investment in Sri Lanka.

Note : Permitted credits include inward remittances, income derived from or sale/liquidation proceeds of investments made out of the funds in the account. Debits include investments in shares, government securities, debentures and units in unit trusts and other financial assets and real assets including land and buildings.

2.11 Filing an Annual Return

The organization that is concerned with this is the Department of the Registrar of Companies.

✉ Registrar General of Companies
Department of the Registrar of Companies
400, D R Wijewardena Mawatha
Colombo 10
Sri Lanka.

☎ 94-11- 2689209, 94-11 – 2689207

☎ 94-11 – 2689211

🌐 www.drec.gov.lk

Steps

1. Obtain the relevant form from the Registrar General of Companies or download the same from their web site given below.
 - a. Form 15 – Companies other than a Company Limited by Guarantee
 - b. Form 15A - Companies Limited by Guarantee
2. File the duly completed form within 30 working days from the date of Annual General Meeting/Resolution.
3. Pay a fee of Rs. 3,000 plus VAT of 12% to file the annual return to ROC.

In terms of the Section 131 of the Companies Act No. 07 of 2007, every company should at least once in every year deliver to the Registrar General of Companies an annual return in the prescribed form.

Note:

- I. The annual return should be completed, made up to the 14th day after the Annual General Meeting of the Company or resolution in lieu of the meeting (if articles so provide) and within 30 working days from the Annual General Meeting for the year whether or not that meeting is the first or only meeting of the shareholders in the year. In addition all companies except private companies must forward a copy of financial statements together with the Auditors' report for registration to the Department of Registrar of Companies within twenty working days of the said statement being signed as provided for in Section 170(1) of the Companies Act.

(The provisions of this section shall not apply to a company in the year of its incorporation)

II. If a company fails to comply with the above requirements

- (a) the company shall be guilty of an offence and be liable on conviction to a fine not exceeding one hundred thousand rupees ; and
- (b) every officer of the company who is in default shall be guilty of an offence and be liable on conviction to a fine not exceeding fifty thousand rupees.

III. Every private company should send

- (a) a declaration signed by the directors of the company to the effect that to the best of their knowledge and belief, they have done all things required to be done by them by or under the Act;
- (b) a certificate signed by a director and by the secretary of the company
 - (i) that the company has not since the date of the last return or in the case of a first return, since the date of the incorporation of the company, issued any invitation to the public to subscribe for any shares or debentures of the company;
 - (ii) where the annual return discloses the fact that the number of shareholders of the company exceeds fifty, that the excess consists wholly of persons who under section 27, are not to be taken into account in relation to that limit to the Registrar of Companies with its annual return.

2.12 Registering a Web Site

The organization that is concerned with this is LK Domain Registry which provides registration services by registering Internet domain names in Sri Lankan country code top level Internet domain (ccTLD) .lk. as well as the relevant Sinhala and Tamil language top-level domains.

✉ LK Domain Registry
545/1, De Soysa Road
Molpe
Moratuwa

☎ 94-11-4216061

☎ 94-11-2650805

@ hostmaster@nic.lk ATTN: Hostmaster

🌐 www.nic.lk

The LK Domain Naming Structure

The types of Domains registered by the LK Domain Registry are:

- **Top Level Domains**

The LK domain, in common with many other countries, registers domains at the 2nd level, immediately to the left of the .lk, irrespective of the type of organization.

e.g. : myorg.lk

- **Second Level Domains**

The following open second level domains are available for registration under the .lk domain.

- .com.lk – suggested for commercial organizations.
- .org.lk – suggested for non-profit organizations.
- .edu.lk – suggested for educational organizations.
- .web.lk – suggested for web sites.

Domain names may be registered for 1,2,5 or 10 years.

- **Internationalized Domain Names (IDNs)**

Domain names can be registered in the Sinhala language in .ලංකා (.lanka) and the Tamil language in the .இலங்கை (.ilangai) Top-Level domains.

e.g., සී.එම්.ලංකා

The Registration Procedure

Any organization within Sri Lanka / outside Sri Lanka can reserve names in the LK domain until they setup their Website / Mailing Facilities in-house / through an Internet Service Provider. The domain can be activated / registered when the servers have been configured to handle the domain. There is no additional charge for name registration, if the name has been reserved beforehand.

Personal Domains

The Registry also registers domain names for individual persons. These comprise two or more names to the left of .lk for more details, please visit the website www.nic.lk.

Note:

Sri Lankan citizens are entitled to apply for the “lk” personal domain names. This service may also be provided to Sri Lankans residing out of Sri Lanka provided they have a National ID Card Number.

Reserving/ registering a domain

Steps

1. Submit the duly completed online application form available at <http://www.nic.lk>.
2. The domain request will be evaluated by the Registry and an email will be sent to the requester confirming the domain and requesting payment.
3. Make payment using one of the options available at LK Domain Registry.
 - Online Payments using Visa / MasterCard Credit Cards via LK Domain Portal.
 - Direct Bank Deposits (cheques and cash)
 - Cheques drawn in favour of LK Domain Registry.

The details and charges could be obtained by visiting Facts at a Glance of the <http://www.nic.lk>.

LK Domain Registry reserves the right to request additional documentation and / or a letter of Indemnity if needed.

If all the documents are available, the payment is received and if there is no problem with the domain name, domain will be registered within one working day.

2.13 Paying Taxes

The organization that is concerned with this is Department of Inland Revenue.

✉ Commissioner General of Inland Revenue
Secretariat
Inland Revenue Building
Chitthampalm A.Gardiner Mawatha
P. O. Box 515
Colombo 02
Sri Lanka.

☎ 94-11- 2334400

☎ 94-11 - 2337777

🌐 www.inlandrevenue.gov.lk

The following steps are required to pay taxes

Steps

A. Corporate Income Tax

Pay corporate tax at rates given below in four quarterly installments (under self assessment basis) on or before 15th day respectively of August, November, and February in the year of assessment and 15th May of the subsequent year of assessment.

Since the actual quarterly tax cannot be ascertained in the same year of assessment, $\frac{1}{4}$ th of the tax payable for the previous year can be paid as quarterly installments subject to making the final payment (if any) on or before 30th September.

Corporate Income Tax rates applicable from Y/A 2011/2012

Companies having taxable income not exceeding Rs. 5 mn (non-group) Venture capital companies, Petroleum exploration, Tourism, Construction, Agriculture and Qualified exports	12%
Unit Trust & Mutual Funds	10%
Profits from exports of products with over 65% domestic value addition, Sri Lankan brand name and patent right reserved in Sri Lanka	10%
Manufacture and imports of liquor or tobacco and betting gaming and lotteries	40%
All any other companies	28%

Dividend

Tax on dividend distributed by a resident company	10%
If 10% of distributable profit of the previous year of assessment is not distributed, tax on the difference between the 33 $\frac{1}{3}$ % of such distributable profit and the amount distributed out of such profits	15%

Capital Allowances (For Income Tax Purposes)

		Acquired after 01. 04. 2011
Information Technology equipments and calculating equipments including software (other than locally manufactured)	25%	25%
Commercial vehicles, furniture	20%	20%
Plant Machinery or equipments used in health care, printing on paper, gem cutting and polishing, packaging of any commodity, rice milling and ships	33 $\frac{1}{3}$ %	33 $\frac{1}{3}$ %
Machinery and equipments not referred to above (acquired or assembled)	12 $\frac{1}{2}$ %	33 $\frac{1}{3}$ %
Unit of a condominium property acquired and used as a commercial unit	6 $\frac{2}{3}$ %	6 $\frac{2}{3}$ %
Industrial or hotel building acquired from a person who has used such building in any trade or business	6 $\frac{2}{3}$ %	6 $\frac{2}{3}$ %
Purchase of locally developed software	100%	100%
Any bridge, railway track, reservoirs, electricity, water distribution line and toll roads (constructed or acquired)	6 $\frac{2}{3}$ %	6 $\frac{2}{3}$ %
Qualified building, new building constructed for commercial use	6 $\frac{2}{3}$ %	10%

Tax Concessions

Type of Concession	Policy objectives
Concessionary tax rate of 15% for exporters reduced to 12% effective from 2011/2012	Encouraging export ventures and new investors
Concessionary tax rate of 15% for non exporters (Construction, tourism, agriculture) reduced to 12% effective from 2011/2012	Encouraging the specified areas of Agriculture, Tourism and Construction
Five year tax holiday for agricultural undertakings engaged in producing seeds or planting materials effective from 2011/2012	Encouraging Agricultural Sector
Tax exemption of profits arising from gems & Jewellery (in foreign currency)	Encouraging earnings received in foreign currency
Five year tax holiday for Fishing effective from 2011/2012	Encouraging Fishing Sector
Five year tax holiday for new undertakings with investment over US\$ 3 mn – approved by the Minister effective from 2011/2012	Development of the National Economy
Three year tax holiday for new undertakings engaged in manufacturing of any article (other than liquor/tobacco product) with investment of Rs. 50 mn or over effective from 2011/12	Encourage local manufacturing sector

Double Taxation Avoidance Agreements in force

Details of Sri Lanka Double Taxation Avoidance Agreements as at 31-03-2010

Country	Date of Signing the Agreement	Operative in Sri Lanka From the Year of Assessment
1. Australia	18-Dec-1989	1992/93
2. Bangladesh	24-Jul-1986	1989/90
3. Belgium	3-Feb-1983	1984/85
4. Canada	23-Jun-1982	1986/87
5. China	11-Aug-2003	2006/07
6. Denmark (Rev.)	22-Dec-1981	1980/81
7. France	17-Sep-1981	1982/83
8. Finland	18-May-1982	1981/82

9.	Germany (Rev.)	13-Sep-1979	1982/83
10.	Hong Kong (Limited)	26-Mar-2004	2005/06
11.	India (Rev.)	27-Jan-1982	1980/81
12.	Indonesia	3-Feb-1993	1995/96
13.	Iran	25-Jul-2000	2002/03
14.	Italy	28-Mar-1984	1978/79
15.	Japan	12-Dec-1967	1969/70
16.	Korea	28-May-1984	1980/81
17.	Kuwait	5-Feb-2002	2002/03
18.	Malaysia (Rev.)	16-Sep-1997	99/2000
19.	Mauritius	12-Mar-1996	1998/99
20.	Nepal	6-Jul-1999	2001/02
21.	Netherlands	17-Nov-1982	1979/80
22.	Norway (Rev.)	1-Dec-1986	1989/90
23.	Oman (Limited)	26-Jul-1994	1979/80
24.	Pakistan (Rev.)	15-Oct-1981	1983/84
25.	Philippines	11-Dec-2000	2010/11
26.	Poland	25-Apr-1980	1984/85
27.	Qatar	7-Nov-2004	2008/09
28.	Romania	19-Oct-1984	1986/87
29.	Russia	2-Mar-1999	2003/04
30.	Saudi Arabia (Limited)	16-Dec-1999	1983/84
31.	Singapore	29-May-1979	1977/78
32.	Sweden (Rev.)	23-Feb-1983	1985/86
33.	Switzerland	11-Jan-1983	1981/82
34.	Thailand	14-Dec-1988	1990/91
35.	U.A.E. (Limited)	7-Jul-1992	1979/80
	U.A.E. (Comprehensive)	24-Sep-2003	2004/05
36.	U.K.	21-Jun-1979	1977/78
37.	U.S.A.	14-Mar-1985	2004/05
	U.S.A. Protocol	20-Sep-2002	
38.	Vietnam	26-Oct-2005	2007/08

B. Value Added Tax (VAT)

VAT shall be paid:

- (i) at the time of supply, on every taxable supply of goods or services made in a taxable period by a registered person, in the course of the carrying on or carrying out of a taxable activity by such person in Sri Lanka;
- (ii) on the importation of goods into Sri Lanka by any person; on the value of supply of such goods or services at the rates specified below.

VAT Rates

- (1) Standard Rate = 12% on the value of goods and services.
- (2) Zero Rate = 0% on the value of goods (direct exports) or services specified in Section 7 of the Value Added Tax Act.

Note:

Liability for Registration for VAT

Every person who carries on a taxable activity should register for VAT, if the value of the taxable supply

- exceeds Rs. 650,000/- per quarter; or
- exceeds Rs. 2,500,000/- per year; or
- is deemed to exceed Rs. 650,000/- per quarter or Rs. 2,500,000/- per year

Registration – Detailed steps are given under chapter “Obtaining Tax Payer Identification Number” (See page 45)

Date for payment – VAT should be paid on or before the 20th day of each month irrespective of whether the person is a quarterly return filer or a monthly return filer. In the case of a registered person who is a quarterly return filer, the tax is payable in monthly instalments as 1st and 2nd instalments on the 20th day of the subsequent month of each month, subject to making the final payment on the 20th day of the subsequent month of the end of the Quarter.

Furnishing returns – I - Zero rated persons – Returns to be furnished monthly

II - Others (Persons other than Zero rated) – Returns to be furnished quarterly

Exemptions

Exempt goods and services are specified in the Part II of First schedule of the VAT Act.

C. Economic Service Charge (ESC)

The ESC is levied under the provision of ESC Act No. 13 of 2006 (enacted in place of Part I of Finance Act No. 11 of 2004) as amended by the ESC Amendment Act No. 15 of 2007, 11 of 2008 and 16 of 2009.

- Effective from the Quarter commencing on April 1, 2006, ESC is imposed on quarterly basis

- ESC is computed on the Turnover, from any trade, business, profession or vocation, of the current Quarter.

Note:

Liability and Limitation

- Liability arises for a Quarter, if the aggregate turnover from every trade business, profession or vocation for that Quarter is Rs. 7.5 Million effective from 01.04.2007 and it is increased to Rs. 25 Million effective from 01.04.2011.
- Maximum chargeability for a quarter is Rs. 15 Million and this has been increased to Rs. 30 Million with effect from 01.04.2009.

Tax Rates

<i>Rates vary based on the type of turnover</i>	<i>From 01 April 2011</i>
1. (a) BOI apparel exporters	} 0.1%
(b) BOI trading houses	
(c) BOI textile manufacturers – supplying to exporters	
2. (a) Profits exempt from income tax	} 0.1%
(b) Tax at concessionary rates	
(c) Loss cases	
(d) Whole sale or retail sales (except – Motor vehicles dealers, liquor, tobacco producers)	
(e) Primary conversion of tea, rubber or coconuts including desiccated coconuts, coconut oil, coconut fiber, copra and sheet rubber (excluding alcoholic beverages)	
(f) Advertising agents (Prior to 01.04.2011 – 1.0%)	
3. Any other business including dealers in motor vehicles, liquor, tobacco, petroleum products and businesses opted to follow 1%	} 1.0%

*From
01 April 2012*

ESC is chargeable

- √ Where taxable income is zero (tax exempt or loss cases), in the year of assessment prior to any quarter

On liable turnover 0.25%

D. Nation Building Tax (NBT)

NBT is imposed under the provisions of NBT Act No. 9 of 2009 as amended by the NBT amendment Act No. 33 of 2009, came into operation effective from February 1, 2009.

The tax is payable on a quarterly basis on the liable turnover by every;

- a. Importers
- b. Manufactures
- c. Service providers, and
- d. Wholesale & retail traders

Threshold of liable turnover

The threshold for liability was Rs. 650,000/- per quarter. It has been reduced to Rs. 500,000/- per quarter effective from 01.01.2011.

However for following categories, the threshold is Rs. 25 mn.

- a. Hotel, guest house, restaurant or other similar businesses
- b. Local value added agricultural produce, rice based products
- c. Local educational institutions
- d. Supply of labour (man power) or employment

Payments and returns

The payments should be made in monthly installments. The 1st and 2nd installments payable on the 20th day of the subsequent month of the relevant months and the final installment on the 20th day of the month from the end of the quarter.

Return for a quarter should be furnished on or before the 20th day of the following month after the end of such quarter.

Excepted articles and services

Part I of the schedules of the Act provides the list of excepted articles and Part II provides the list of excepted services of which the turnover is not liable for NBT.

Tax Rate (effective from 01.01.2011); – on the liable turnover – 2%

Gazetted	
Gazette No.	Date
657/2	8-Apr-1991
448/13	7-Apr-1987
292/6	9-Apr-1984
253/8	13-Jul-1983
1374/20	6-Jan-2005
228/15	20-Jan-1983

210/17	17-Sep-1982
253/8	13-Jul-1983
113	31-Oct-1980
1374/21	6-Jan-2005
210/17	17-Sep-1982
789/10	21-Oct-1993
1187/16	6-Jun-2001
322/4	5-Nov-1984
14803/5	29-May-1968
342/11	29-Mar-1985
1245/19	18-Jul-2002
1028/21	22-May-1998
958/10	15-Jan-1997
1116/6	26-Jan-2000
281/13	26-Jan-1984
464/4	27-Jul-1987
881/7	26-Jul-1995
210/17	17-Sep-1982
1237/7	21-May-2002
1256/27	2-Oct-2002
130	27-Feb-1981
1422/10	5-Dec-2005
371/9	15-Oct-1985
1101/22	15-Oct-1999
1101/23	15-Oct-1999
57/11	10-Oct-1979
297/28	18-May-1984
292/6	9-Apr-1984
571/16	18-Aug-1989
824/13	23-Jun-1994
1346/1	21-Jun-2004
60/23	2-Nov-1979
398/4	22-Apr-1986
1298/8	21-Jul-2003
1455/9	24-Jul-2006

Tax Concession from the Y/A 2011/2012

For Small Scale undertakings

– Commercial Operations commenced on or after April 01, 2011

Type	Investment Limit	Tax Holiday period
Agriculture, Animal Husbandry, Fishing (including processing), Creative Work, Information Technology	Rs. 25 mn – 50 mn	4 years

For Medium Scale undertakings

– Commercial Operations commenced on or after April 01, 2011

Type	Investment Limit	Tax Holiday period
Agriculture, Animal Husbandry/ Manufacture of Any Article (other than Liquor or Tobacco Products), IT Services, Software Development, BPO, Knowledge process Outsourcing, Healthcare Services, Educational Services, Beauty Care Services, Cold Room & Storage Facility Provision, Tourism, Fitness Centre Services & Sports Facilities, Creative Work, Mini Hydro Projects	Rs. 50 mn – 100 mn	4 years
	Rs. 100 mn – 200 mn	5 years
	Rs. 200 mn and over	6 years

(Sec. 16C)

For Large Scale undertakings

– Commercial Operations commenced on or after April 01, 2011

Type	Investment Limit	Tax Holiday period
<p>Manufacture of :- Boats, Pharmaceuticals, Tyres, Tubes, Motor Spares, Furniture, Ceramics, Glassware, Mineral Products, Rubber based Products, Cosmetics, Edibles, Locally Cultivated Agricultural Products, Construction Materials, Electrical/ Electronic goods.</p> <p>Non-Traditional goods for export (including deemed exports)</p>		
<p>Cultivation of :- Food Crops, Industrial Crops, Horticulture, Forestry, Animal Husbandry, Dairy, Poultry, Swine, Goat</p>	Rs. 300 mn – 500 mn	6 years
	Rs. 500 mn – 700 mn	7 years
<p>Services :- Provided to a person outside Sri Lanka for over 75% in convertible forcing currency.</p>	Rs. 700 mn – 1,000 mn	8 years
	Rs. 1,000 mn – 1,500 mn	9 years
<p>Tourism :- Hotels, Guest Houses <i>etc.</i>, Infrastructure Projects + Construction of Commercial Buildings, Warehousing Storage, Power Generation (renewable resources), Industrial Estates, Economic Zones, Urban housing/Town Development, Sanitation, Waste Management, Water, Internal Waterways & Related transport, Hospital & Healthcare, Repairs of Aircrafts, Maritime Ships, Sports, IT, Software Development, BPO, Light/Heavy Engineering Industry, Dairy Development, Education, Any other for National Economic Development (prescribed by Minister)</p>	Rs. 1,500 mn – 2,500 mn	10 years
	Over Rs. 2,500 mn	– 12 years

(Sec. 17A)

New Undertakings established on or after April 01, 2012 in manufacture of

Product	Minimum Investment
Fabric	US \$ 5 mn
Pharmaceuticals	US \$ 10 mn
Milk Powder	US \$ 30 mn
Cement	US \$ 50 mn

(Sec. 16D)

2.14 Making an Export

The main organizations that are concerned with this are Sri Lanka Customs and Sri Lanka Export Development Board.

✉ Export Directorate
Sri Lanka Customs
Times Building
Colombo 01
Sri Lanka.

☎ 94-11-2478615, 2478616, 2437070

📞 94-11-2337077

✉ Air Cargo Village Terminal
Sri Lanka Customs
Katunayake
Sri Lanka.

☎ 94-11-2256689, 2264476

🌐 www.customs.gov.lk

✉ Sri Lanka Export Development Board
No. 42, Nawam Mawatha
Colombo 02
Sri Lanka.

☎ 94-11-2300705-11

@ edb@tradenetsl.lk

🌐 www.srilankabusiness.com

The following steps are required to export goods from Sri Lanka.

Steps

1. Register with following institutions.

- Sri Lanka Export Development Board
- Inland Revenue Department
 - Tax Identification No. & VAT No.
- Sri Lanka Customs

Documentary requirements

- Application Form
- The original Business Registration Certificate or Certificate of Incorporation
- Registration of a Company certified by the Registrar of Companies
- Memorandum and Articles of Association

Note: Application forms could be downloaded from respective websites.

Export license/registration

(i) Tea

Register with Sri Lanka Tea Board (SLTB)

Requirements:

- Business Registration Certificate
- Sufficient Financial Resources (1 million working capital)
- Adequate warehouse facilities
- Completed application form – Application available with SLTB

Registration fees

- Registration fee = Rs. 25,000 + Value Added Tax (VAT)
+ Nation Building Tax(NBT)
- Packers registration fee = Rs. 25,000/- + VAT + NBT
- Warehouse Reg. Fee = Rs. 25,000 + VAT
- Lion Logo fee = Rs. 5,000/- per year
- For more details – Sri Lanka Tea Board
No. 574, Galle Road , Colombo 3
Sri Lanka.

(ii) Coconuts and Coconut products

Register with Coconut Development Authority.

Registration fees

- Kernel products = Rs.3,000/- + 3% NBT + 12% VAT
- Coconut shell products = Rs.3,000/- + 3% NBT + 12% VAT
- Coconut fibre products
 - Raw = Rs.3,000/- + 3% NBT + 12% VAT
 - Value Added = Rs.2,000/- + 3% NBT + 12% VAT
- For more details – Coconut Development Authority
54, Nawala Road
Narahenpita
Colombo 05
Sri Lanka.

(iii) Gem and Jewellery

Should obtain Gem Dealers Licence from the National Gem and Jewellery Authority.

- For more details – National Gem and Jewellery
Authority
No. 25, Galle Face Terrace
Colombo 03
Sri Lanka.

(iv) Textile and Readymade Garments

Should be registered with the Apparel Export Service Division of the Ministry of Industry & Commerce.

Note : Items under license control

Items	Recommended Authority
(a) Coral chanks, conch shells	Department of Fisheries and Aquatic Resources Development
(b) Wood including logs and sawn timber	Forest Department
(c) Article of Wood	National Crafts Council and Department of Forest
(d) Ferrous/Non-ferrous Metal, Scrap/Waste	Department of Import and Export Control

Note: Items prohibited or restricted for export

- Dead or live animals or their parts (except under permit issued by the Director of Wild Life, Domestic Animals are excluded)
- Antiquities/Cultural property/Items of Archeological value
- Dangerous drugs
- Explosives
- Live ornamental fish (except under permit issued by Director, Fisheries and Aquatic Resources)
- Minerals in raw form (except under permit issued by Geological Survey and Mines Bureau)
- Obscene publications and literature
- Protected plants

2. Prepare a pro-forma invoice and send it to buyer

Pro-forma invoice – An invitation to the buyer to place a firm order

Details that should be mentioned in the pro-forma invoice;

- Product description
- Quality
- Price
- Terms of Payments
- Terms of Delivery
- Packing and making details

Delivery terms

Three types of delivery terms;

- FOB – Free On Board
- CFR – Cost & Freight
- CIF – Cost Insurance and Freight

Terms of Payment

Types of Payments

- Advance payment
- Letters of Credit
- Documentary collection
- D/P (documents against payments)
- D/A (documents against acceptance)
- Open account
- Consignment account

3. Send trade samples of products to foreign buyer (by air mail)

Samples up to the value of Rs. 10,000/- can be exported freely on Customs simplified declaration

Only custom declaration form needs to be furnished

4. Ensure that :

- the packages are properly packed
- the packaging has been done according to the trade contract
- the shipping marks and the port of destination is marked on all packages

5. Reserve cargo space

Sea cargo - Exporter should get shipping spaces from the shipping agent. Exporter should submit shipping notes (Exp. 3a forms – 3 copies) to shipping agent.

Air cargo- Exporter should check with the “Air Line Agents”. Exporter should submit a document called “Shippers letter of instruction”. This document will be used to issue the Airway Bill.

Certificates required for exports:

- Certificate of Origin (Preferential) – Issued by Department of Commerce.
- Certificate of Origin (Non-Preferential) – Issued by Ceylon Chamber of Commerce & National Chamber of Commerce.
- Quality Certificate – Issued by Sri Lanka Standard Institution.
- Health Certificate – Issued by Department of Animal Production and Health, when exporting meat, fish and live animals.
- Phytosanitary Certificate – Issued by the Plant Quarantine Service of the Department of Agriculture, when cut flowers and foliage plants, fruits and vegetables are being exported.
- Fumigation Certificate – Fumigation activities are done by plant quarantine service of the Department of Agriculture. This certificate may be required by buyers/government for the import of agricultural products such as cut flowers, foliage plants, sesame seeds, cashew nuts, tea *etc.*

6. Obtain customs approval before transporting goods to the port

Approval – Exporter should prepare Customs Declaration (CUSDEC – Form 53) Form I when there is only one item and Form II (when there is more than one item), in two copies with following documents

- Invoice
- Shipping note (Captain's copy)
- Licence (if required)
- Packing list (if required)
- Copies of CUSDEC are named as follows;
 - Warrant copy
 - Security copy
 - Party's copy (optional)
 - Statistical copy
- Export Cess wherever applicable has to be paid.
- Cess charges on exports are as follows:

Annexure I – Government Gazette No. 1681/5 of 22.11.2010

Annexure II – Government Gazette No. 1519/8 of 16.10.2007

&

<i>HS Heading</i>	<i>HS Code</i>	<i>Description</i>	<i>Cess</i>
40.02	4002.11	Latex	Rs. 4/- per kg.
40.06	4006.90	Other	Rs. 4/- per kg.

- Customs duty on exports :
 - Silica Quartz
 - 20% up to US\$ 140/- to 190 FOB per MT
 - 14% between US\$ 140/- to 190/- FOB per MT
 - 09% between US\$ 191/- to 240/- FOB per MT
 - 03% between US\$ 241/- to 299/- FOB per MT
 - Free exceeding US\$ 300/- FOB per MT
- Royalty on exports
 - Chank and Conch shell – Rs. 100/- per 1,000 pcs.

7. Customs Examination

The Chief Export Officer would decide the type of examination, if any to be done based on risk analysis.

8. Pay Port charges

Before transporting goods to the Port, pay charges to the Finance Division of the Sri Lanka Ports Authority. To pay these charges 3 completed copies of shipping note should be submitted to the Finance Division.

Charges could be categorised as follows:

- Landing and delivery charges
- Shipping charges
- Bonding and entrepot charges
- Crane charges
- Occupation charges
- Ancillary charges for services if required

9. Make arrangements to move Cargo to the Port

Submit following documents to Export Office of the SLPA/JCT/SAGT

- Shipping Note - (3a form) 5 copies
- Cargo Dispatch Note - (3b form) (CDN form) 6 copies
- CUSDEC form (Security Copy)

Once all cargo have been loaded, shipping note is converted to the Mate's receipt when the captain of the vessel signs it.

Collect exporters copy of the mates receipt from SLPA export office and submit to Shipping Agent to obtain Bill of Lading and pay freight charges to the shipping agent.

Note:

(i) Exports by Air

Cargo including those of perishable nature such as food items, could be exported on declaration to the Customs at the Air Cargo Village Terminal (ACVT) at Katunayake around the clock on a simplified process (all other conditions apply).

(ii) Submit following documents to the bank

- Commercial Invoice
- Original Bill of Lading/Airway Bill
- Insurance Policy (if on CIF Price)
- Bill of Exchange (if requires)
- Letter of Credit
- Certificate of Origin/Generalized System of Preference (GSP) Certificate
- Packing List

(iii) Submit following documents on the request of the buyer

- Quality Certificate
- Health Certificate
- Phytosanitary Certificate
- Fumigation Certificate
- Hazard Analysis and Critical Control Points (HACCP) Certificate (for food items)

1. EDB CESSSES ON IMPORS

Products	:	Selected imported items
Gazette No.	:	1733/6 of 21/11/2011
Objectives	:	<ul style="list-style-type: none"> - Discourage imports of non-essential items - Protection of local farmers/manufacturers - Funds for implementation of Export Development Programme
Rates	:	<p>Different rates (Ranging from 1% to 35%) where ad valorem and unit rates are specified, the rate whichever is higher is applicable.</p> <p>Computation of Cess Levy: (CIF value + 10% of CIF value) × rate of cess levy <i>or</i> Quantity × unit rate of cess levy</p>
Not applicable	:	<ul style="list-style-type: none"> - To drugs registered under the Cosmetic Devices and Drugs Act - To Ayurvedic, Unani and Siddha preparations (other than cosmetic, preparations) - Raw materials, intermediate goods, parts and accessories to be used for the transformation of fashion jewellery and containers of or packaging recommended by the Ministry of Industrial Development

2. EDB CESSSES ON EXPORTS (Gazetted by Gazette Notification No. 1733/5 of 21/11/2011)

Products	Rate/s
<p>2.1 Tea Tea, whether flavoured or not certified by Sri Lanka Tea Board as wholly of Sri Lankan origin (HS Codes 0902.40.91; 0902.40.92) Other flavoured tea (HS Code 0902.40.93) Other Tea (HS Code 0902.40.99)</p>	<p>Rs.10/- per kg</p>
<p>2.2 Rubber Various forms of rubber Natural rubber latex (HS Code 4001.10.90; 4001.10.10) RSS 1 (HS Code 4001.21.10), RSS 2 (HS Code 4001.21.20) RSS 3 (HS Code 4001.21.30), RSS 4 (HS Code 4001.21.40) RSS 5 (HS Code 4001.21.50), Technically specified natural rubber (TSNR) (HS Code 4001.22) Other (HS Codes 4001.29.11; 4001.29.12; 4001.29.13; 4001.29.14; 4001.29.20; 4001.29.30; 4001.29.40; 4001.29.50; 4001.29.60; 4001.29.70; 4001.29.90; 4001.30)</p>	<p>Rs. 15/- per kg or 2% of FOB</p>

Contd.

Products	Rate/s
2.3 Coconut Coconuts – Husked or partially husked (HS Code 0801.19.10)	Rs.7/- per unit
2.4 Pepper	Light berries of pepper with density not exceeding 450 grams per liter (HS Code 0904.11.10) – Rs. 10/- per kg Other pepper (HS Code 0904.11.90) – Rs. 3/- per kg
2.5 Vanilla Vanilla pods (HS Code 0905.00.10)	Rs. 3/- per kg
2.6 Cinnamon Cinnamon in various forms Cinnamon quilings (HS Code 0906.11.30) Cinnamon featherings (HS Code 0906.11.40) Cinnamon chips (HS Code 0906.11.50)	Rs. 3/- per kg

Contd.

Products	Rate/s
2.7 Cloves Whole fruit (HS Code 0907.00.10) Cloves (HS Code 0907.00.20) Clove Stems (HS Code 0907.00.30)	Rs. 3/- per kg
2.8 Nutmeg Nutmeg in various forms Nutmeg-broken wormy & punkey (HS Code 0908.10.10) Nutmeg other (HS Code 0908.10)	Rs. 10/- per kg
2.9 Mace Mace (HS Code 0908.20)	Rs. 3/- per kg
2.10 Maize Maize (Corn) (HS Code 2302.10)	Rs. 1/- per kg
2.11 Rice Rice (HS Code 2302.40.10)	Rs. 1/- per kg

Contd.

Products	Rate/s
2.12 Graphite Natural Graphite and Waste	(HS Code 2504.90.90) – Rs. 10,000/- per MT (HS Code 2504.90.10) – Rs. 200/- per MT
2.13 Coral and Similar Material Coral chanks (HS Code 0508.00.10)	Rs. 100/- per 1,000 units
2.14 Silica Sands and Quartz Sands	Silica Sands and Quartz Sands Waste (HS Code 2505.10.10) – Rs. 200/- per MT Silica Sands and Quartz Sands Other (HS Code 2505.10.90) – Rs. 20,000/- per MT Other (HS Code 2505.90) – Rs. 3,000/- per MT
2.15 Quartz Raw Vein Quartz (HS Code 2506.10.10)	Rs. 4,000/- per MT
2.16 Natural Calcium Phosphate, Natural Aluminium, Calcium Phosphate and Phosphatic chalk Unground Rock Phosphate (HS Code 2510.10.10)	Rs. 4,000/- per MT
2.17 Emery, Natural Corundum, Natural Garnet and other Natural Abrasives (HS Code 2513.20)	Rs. 22,000/- per MT

Contd.

Products	Rate/s
<p>2.18 Granite, Prophry, Basalt, Sandstone and other Monumental or Building Stones Cess on Export of Granite, Prophry, Basalt, Sandstone and other Monumental or Building Stones and other Monumental or Building Stones merely cut, by sawing or otherwise, into blocks or slabs of rectangular (including, square) shape; sand stone, and other monumental stones.</p>	<p>Merely cut by sawing or otherwise (HS Code 2516.12) – Rs. 5,000/- per MT Crude or roughly trimmed granite (HS Code 2516.11) – Rs. 6,000/- per MT Sandstone (HS Code 2516.20) – Rs. 5,000/- per MT Other monumental or building stones (HS Code 2516.90) – Rs. 5,000/- per MT</p>
<p>2.19 Pebble, Gravel, Broken or Crushed Stones Pebble, Gravel, Broken or Crushed Stone of a kind commonly used for concrete, for road metalling or for railway (HS Code 2517.49)</p>	<p>Rs. 3,000/- per MT</p>
<p>2.20 Mica</p>	<p>Cured mica (HS Code 2525.10) – Rs. 1,000/- per MT Mica Waste (HS Code 2525.30) – Rs. 100/- per MT</p>
<p>2.21 Natural Steatite</p>	<p>Natural Steatite not crushed, not powdered (HS Code 2526.10) – Rs. 3,000/- per MT Natural Steatite crushed and powdered (HS Code 2526.20) – Rs. 2,000/- per MT</p>

Contd.

Products	Rate/s
2.22 Other Mineral Substances Vermiculite, perlite and chiolites (HS Code 2530.10) Kieserite, Epsomite (HS Code 2530.20) Natural Arsenic Sulphides (HS Code 2530.90.10) Broken Concrete (HS Code 2530.90.20) Others (HS Code 2530.90.90)	Rs. 1,000/- per MT
2.23 Titanium ores and Concentrates	Ilmanite (HS Code 2614.00.10) – Rs. 1,500/- per MT Rutile (HS Code 2614.00.20) – Rs. 2,000/- per MT Other (HS Code 2614.00.90) – Rs. 1,000/- per MT
2.24 Zirconium	Zirconium ores and Concentrates (HS Code 2615.10) – Rs. 500/- per MT Others (HS Code 2615.90) – Rs. 100/- per MT

Contd.

Products	Rate/s
<p>2.25 Raw Hides Various forms of hides and skins</p>	<p>Whole hides and skins of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry salted or 16 kg when fresh, wet salted or otherwise preserved (HS Code 4101.20)</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/- per kg <p>Whole hides and skins of a weight exceeding 16 kg – (HS Code 4101.50)</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/- per kg <p>Whole hides and skins (HS Code 4101.90) – 75% of FOB value or Rs. 500/- per kg</p> <p>Raw hides and skins of sheep or lamb (HS Codes 4102.10; 4102.21; 4102.29)</p> <p>Raw hides and skins of reptiles, swine and other (HS Codes 4103.20; 4103.30; 4103.90)</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/- per kg <p>Tanned or crust hides and skins of bovine (including buffalo) in the wet state (including wet blue state) wet blue chrome tanned <i>etc.</i></p> <p>(HS Codes 4104.11.10; 4104.11.90; 4104.19.10; 4104.41; 4104.49)</p> <ul style="list-style-type: none"> - 10% of the FOB value <p>Tanned or crust skins of sheep or lamb in wet or dry state (HS Codes 4105.10; 4105.30)</p> <ul style="list-style-type: none"> - 10% of the FOB value <p>Leather, further prepared after tanning or crusting (HS Code 4107.99)</p> <ul style="list-style-type: none"> - 5% of the FOB value

Contd.

Products	Rate/s
2.26 Wood Wood in rough form (HS Code 4403.99)	15% of FOB
2.27 Metal Scrap Various types of metal scrap	Waste scrap of cast iron, iron alloy, stainless steel, tinned iron or steel (HS Codes 7204.10; 7204.21; 7204.29; 7204.30; 7204.41; 7204.49; 7204.50) – 10% of FOB value Copper waste scrap (HS Code 7404.00) – 50% Nickel waste & scrap (HS Code 7503.00) – 25% Aluminium waste & scrap (HS Code 7602.00) – 25% Lead waste & scrap (HS Code 7802.00) – 25% Zinc waste & scrap (HS Code 7902.00) – 25% Tin waste & scrap (HS Code 8002.00) – 25%

Cess Duty – Correction

“Import Cess Duty” mentioned in the Gazette Notification (Extraordinary) No. 1516/16 of 25.09.2007 has been changed as “Export Cess Duty” according to the Gazette Notification (Extraordinary) No. 1519/08 of 16.10.2007. Export Cess Duty should be levied as under mentioned schedule.

Gazette Notification No. 1516/16 of 25.09.2007 has been rescinded by the new Gazette Notification No. 1519/8 of 16.10.2007.

Schedule

H.S. Heading	H.S. Code	Column I	Column II
		Coconut Product	Rate of Cess
96.03		Brooms, brushes (including brushes constituting parts of machines, appliances or vehicles), hand-operated mechanical floor sweepers and motorized, mops and feather dusters; prepares knots and tufts for broom or brush making; paint pads and rollers; squeegees (other than roller squeegees)	
	9603.10.01	Brooms made of coconut fiber	5 cents per unit

SRI LANKA EXPORT DEVELOPMENT ACT NO. 40 OF 1979

Order under Section 14

BY virtue of power vested in me by Section 14(1) of the Sri Lanka Export Development Act, No. 40 of 1979, I, Rishad Bathiudeen, Minister of Industry and Commerce with the concurrence of the Minister of Finance and Planning, do by this Order declare that with effect from 25th December, 2010, an Export Cess shall be charged, levied and paid on export of goods enumerated in Column III of the Schedule hereto at rates specified in the corresponding entry in Column IV, in the same Schedule hereto.

Rishad Bathiudeen

Minister of Industry and Commerce

Ministry of Industry and Commerce
Colombo

23 December, 2010

Schedule

H.S. Heading (I)	H.S. Code (II)	Description (III)	Rate of Cess (IV)
08.01		Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled	
	0801.19	Other	
	0801.19.10	Coconuts – Husked or partially husked	Rs. 30/- per unit

2.15 Making an Import

The organization that is concerned with this is Sri Lanka Customs.

✉ Director General of Customs
Customs House
40, Main Street
Colombo 11

☎ 94 -11-2347881

📞 94-11-2446364

☎ Customs Information Centre
94-11-2342012

☎ Deputy Director of Customs (Long Room)
94-11-2337076

📞 94-11-2337076

🌐 www.customs.gov.lk

Steps

1. Submit duly filled Customs Form No: 53 (CUSDEC I & II) with all the required documents, signed by the consignee and the declaration to Long Room.

The CUSDECs should be submitted in following copies:

- Warrant copy
- Delivery copy
- Consignee' copy

Documentary Requirements:

- (i) Bill of Lading
- (ii) Delivery Order
- (iii) Bank stamped invoice other than instances where goods have been imported on NFE basis
- (iv) Any technical information required to classify the HS Code
- (v) Documents to prove the Country of Origin
- (vi) If the goods imported are restricted, necessary licenses permits from relevant authority such as Telecommunication Regulatory Commission (TRC), Cosmetic Devices and Drugs Authority (CDDA), Sri Lanka Standards Institution (SLSI), Import and Export Control Department *etc.*

- (vii) Value Declaration form duly filled in two copies
- (viii) Proof for the mode of remittance such as Letter of Credit, Telegraphic Transfer *etc.*
- (ix) Packing List
- (x) Any special certificates such as duty waivers *etc.*

Note:

- (i) Submission of CUSDEC can be either in the way of hard copy or electronically.
 - (ii) Importer is allowed to get service of Customs House Agent for transacting business of submission documents and clearance of goods.
 - (iii) For imports by an entity approved by Board of Investment (BOI) of Sri Lanka, processing of documents is carried out by BOI (not in Long Room).
2. Receive Certified Assessment Notice from the Long Room by the importer (or its agent) for making payments to the bank. Payments also could be made electronically.
 3. After the payment is made, forward CUSDEC with all connected documents to Screening Unit to decide the examination criteria.
 4. Examine the goods according to the criteria decided by the Screening Unit.
 5. Release the goods.

Other Activities



3

3.1 Paying Compensation to Staff

The organization that is concerned with this is the Labour Department.

✉ Commissioner General of Labour
Department of Labour
Narahenpita
Colombo 05
Sri Lanka.

☎ Termination Unit
94-11-2504460, 2368048, 2552887

🌐 www.labourdept.gov.lk

Steps

1. Consult Schedule on page 1A and 2A of Gazette Notification No. 1384/07 of March 15, 2005 (reproduced in the Notes below) for formula for payment of compensation.
 - (i) If the workman has more than 4 years left of his service, compensation is payable as indicated in the formula subject to a maximum of Rs. 1,250,000.
 - (ii) If workman has less than 4 years left of his service, compensation is payable as either the aggregate salary for the denied service period or compensation computed according to the formula given in the Gazette No. 1384/07 of March 15, 2005 whichever is less, subject to a maximum of Rs. 1,250,000.
2. Make a formal application for termination of employment to the Commissioner of Labour together with your proposals for compensating employees whose services are to be terminated.

Note:

The Commissioner of Labour in terms of the powers cited in the Employment of Workmen (Special Provision) Act specifies the amount to be paid as the compensation. Once the amount of compensation is deposited by the employer, on or before the specified date of payment, relevant employee is called upon for authentication by the department and payment is made accordingly.

Schedule
Formula for Payment of Compensation

No. of Year(s) of service completed at the Date of Termination	No. of months salary to be paid as compensation for each year of service	Maximum Compensation (cumulative)
1 – 5	2.5	12.5 months
6 – 14	2.0	30.5 months
15 – 19	1.5	38.0 months
20 – 24	1.0	43.0 months
25 – 34	0.5	48.0 months

3.2 Obtaining a Passport

The organization that is concerned with this is the Department of Immigration and Emigration Sri Lanka.

✉ Controller (Travel)
Department of Immigration and Emigration
1st Floor
41, Ananda Rajakaruna Mawatha
Colombo 10
Sri Lanka.

☎ 94-11-5329120, 5329121

@ controller@immigration.gov.lk

🌐 www.immigration.gov.lk

The following steps are required to get a passport in Sri Lanka.

Eligibility

Sri Lankans by Descent or by Registration

Steps

1. Obtain an application form (K, C or D as per requirement) from Department of Immigration and Emigration (Head Office Colombo or Branches – Matara, Kandy and Anuradhapura), Divisional Secretariats, Sri Lanka Mission (If living abroad) or download an application from the website (www.immigration.gov.lk).

Note: To obtain a form by post, send a self-addressed stamped envelope (23 x 10 cm or 9" x 4") to the Department of Immigration and Emigration.

2. Submit a completed application with following documents:

(I) Ordinary Passport

Documentary requirements:

- i. Completed application form K
- ii. Previous Travel Document (If available – Original with photocopy)
- iii. 3 colour photographs (3.5 x 4.5 cm photographs should have been taken within 3 months)
- iv. Birth Certificate
- v. National Identity Card

- vi. Marriage Certificate (If changing the maiden name)
- vii. Academic/Professional Certificate or letter of appointment (If the job description is required)
- viii. Citizenship Certificate if the applicant is a citizen by registration

Note : (iv -viii above original with photocopy)

(II) Entry of name/s of minor child/children under 16 years into either parent's Passport

Documentary Requirements:

- i. Completed application form C.
- ii. 3 colour photographs, (2.5 x 3.5 cm photographs should have been taken within 3 months) and Birth Certificate/s of the child/children.
- iii. Marriage Certificate of parents.
- iv. Relevant pages of the spouse's Passport. If the spouse doesn't possess a Passport, an Affidavit confirming same, National Identity Card and written consent.
- v. Court order if the spouse is a divorcee.
- vi. Death Certificate of the spouse in case of widow/widower (Original with photocopies).
- vii. If the child is born abroad, section 5(2) Certificate of Citizenship issued under the Citizenship Act.

Note : (iii-vii above original with photocopy)

(III) Separate Passport for a Minor

A minor under 16 years of age can also apply for a separate Passport if required.

Documentary Requirements:

- i. Completed application form K.
- ii. 3 colour photographs (3.5 x 4.5 cm photographs should have been taken within 3 months).
- iii. Written consent from parents.
- iv. Birth Certificate of applicant .
- v. Travel Documents of parents, if they don't possess Travel Documents an Affidavit confirming same, National Identity Card.
- vi. If the child is born abroad, section 5(2) Certificate of Citizenship issued under the Citizenship Act .

Note : (iv-vi above, original with photocopy)

- It is compulsory that of both Father and Mother be present at the office of the Department of Immigration & Emigration when applying for passports for children under 16 years.

- In cases where Father or Mother is not in Sri Lanka at the time of applying for passports for children under 16 years, the letter/s of consent should be authorized by the relevant Sri Lankan Mission abroad.

(IV) Separate Passport for an Adopted Child

Documentary Requirements:

- Completed application form C.
- 3 colour photographs (3.5 x 4.5 cm photographs should have been taken within 3 months).
- Birth Certificate
- Adoption Certificate.
- Court Order.
- A letter from the Commissioner of Probation and Child Care, if the foster parents are of a FOREIGN NATIONALITY.

Note : (iii-vi above original with photocopies)

3. Get the application attested by one of the following:

- An Officer of the Sri Lanka Administrative Service/Sri Lanka Education Service/Accountants' Service/Planning Service/Engineering Service
- Attorney-at-Law or a Public Officer of similar status
- Qualified Medical Practitioner
- Commissioned Officer of the Sri Lanka Army, Navy, Air Force or Police
- Police Inspector of the Police Station of the area (Officer-in-Charge)
- Samurdhi Manager/Grama Niladhari/Social Service Officer of the area
- Estate Superintendent
- Justice of the Peace

4. Hand over the application

Applicant must personally hand over the application along with the supporting documents to relevant the officer on any working day.

- Department of Immigration and Emigration – Head Office Colombo or Branches at Matara, Kandy and Vavuniya.
- Divisional Secretariats in Sri Lanka (except Colombo).
- Sri Lanka Missions (if living abroad).

Note:

- (i) Applications are accepted during:
- Normal service (8.30 a.m. – 2.00 p.m.)
 - Same day service (8.15 a.m. – 1.30 p.m.) in Sri Lanka
 - Contact Mission for opening hours for Sri Lanka Missions abroad

For the same day service applications will be received only at Colombo Office. Senior Citizen (above 55 years) can lodge an application through a third party.

- (ii) Fees (as at 31 August 2010)
- New Passport for All Countries
 - Normal Service Rs. 2,500.00
 - Same day service Rs. 7,500.00
 - Passport for specified countries (including Middle East)
 - Normal Service Rs. 1,000.00
 - Same day service Rs. 2,500.00
 - Emergency Certificate (India & Nepal/Saudi Arabia)
 - No same day Service Rs. 500.00
 - Identity Certificate
 - Same day service Rs. 2,500.00
- (iii) Amendments
- | | | |
|--|-----|--------|
| Any amendment or alteration | Rs. | 500.00 |
| Include Children (per Child) | Rs. | 500.00 |
| Delete Children | Rs. | 500.00 |
| Renewals – Extension of period of validity | | |
| – per year | Rs. | 200.00 |

3.3 Obtaining Visas to Enter and Stay in Sri Lanka

The organization that is concerned with this is the Department of Immigration and Emigration, Colombo Sri Lanka and Head of Sri Lanka Missions abroad.

✉ Controller (Visa)
Department of Immigration and Emigration
3rd Floor
41, Ananda Rajakaruna Mawatha
Colombo 10
Sri Lanka.

☎ 94-11-5329300

📠 94-11-2674631

@ contvisa@immigration.gov.lk

🌐 www.immigration.gov.lk

Types of Visas

1. Multiple Entry
 2. Residence
 3. Visit
 4. Transit
 5. Visas to registrants under the Special Resident Guest Scheme
- } Electronic Travel Authorization (ETA)

Note: For more information Controller (Visa) or visit www.immigration.gov.lk, General information – Visa

Steps

1. Obtain an application form from Department of Immigration and Emigration, Sri Lanka Mission abroad or download an application from the website. (www.immigration.gov.lk)
2. Hand over Application to the relevant Department or Mission.

Documentary requirements:

- **For Multiple Entry Visa**

- (i) Multiple Entry visa application form
- (ii) Valid passport of applicant
- (iii) Three photographs of the applicant (Bust size; approximately 3.5 x 4.5 cm.)
- (iv) Documentary proof of purpose of Multiple Entry visit
- (v) Evidence of the financial standing of applicant
- (vi) A written assurance to return to the country of domicile

- (vii) Finger prints of applicant if necessary
 - (viii) Any other documents the prescribed authority deems necessary
- **For Residence Visa**
 - (i) Recommendation of line Ministry or BOI for the following – Expatriate personnel whose services are required for projects approved by the State, Expatriate personnel employed in projects under BOI of Sri Lanka, A foreign national who desires to invest monetary capital or to engage in business activities in Sri Lanka, Members of the clergy, Religious workers and Religious Students and volunteers.
 - (ii) Recommendation of NGO secretariat for personnel attached to NGOs.
 - (iii) Recommendation of Ministry of Higher Education in case of foreign students in Universities, Educational Institutions approved by the State and in the case of other Institutions, a letter from the respective institution, relevant Embassy and encashment receipts to the value of US\$ 1,500 a year, in case of other students.
 - (iv) Passport and British certificate with application for Registered Indians covered by the 1954 Agreement and Ex Sri Lankans.
 - (v) Marriage Certificate and documentary proof of citizenship of the Sri Lankan spouse for Spouses of Sri Lankans. (in case of foreign spouse, a letter from the relevant mission representing his or her country in Sri Lanka confirming civil status, divorce decree when applicable).
 - (vi) A police report from the country of domicile.
 - (vii) Birth Certificate and parents Marriage Certificate if the birth is not registered with the Ministry of Defense, for Children of Sri Lankans but holding foreign nationality.

Note: It is required to obtain Entry Visa (prior approval) from the Department of Immigration and Emigration for Residence Visa except Ex-Sri Lankans, Spouse and RGs Visa holders.

- **Visit Visa / Transit Visa (ETA)**

Visit visa for 30 days is granted with web based system under following categories.

- (i) Visit Visa – Single entry / Double entry
- (ii) Business Visa – Multiple entry

(iii) Transit Visa – 02 days

(iv) Journalist Visa

Official web site : www.eta.gov.lk

• **For Visit Visa extension**

(i) Visit visa application

(ii) Copy of the Bio data page of the passport

(iii) Two photographs

(iv) Relevant visa fee

• **For Resident Guest Scheme**

(i) Photocopies of relevant pages of passport that contain particulars of the applicant and dependents

(ii) Photocopy of the marriage certificate or marriage contract (if applicable)

(iii) Six photographs (6 x 5 cm)

(iv) Details of educational and professional qualifications and experience (if any)

ii. Application for the extension of above Visas should be made to the Dept. of Immigration and Emigration.

iii. Application for Residence Visas/ Visas under the Special Resident Guest Scheme should be made to the Department of Immigration and Emigration.

Note: Validity of the Passport should be six months beyond the intended stay of the traveller.

3.4 Purchase of Land by Non-Citizens

The Organizations that are concerned with this are Registrar General's Department, and the Board of Investment (BOI) of Sri Lanka.

Registrar General Department

✉ Registrar General
Registrar General's Department
234/A3, Denzil Kobbakaduwa Mawatha
Battaramulla
Sri Lanka.

☎ 94-11-2889488, 2889489

☎ 94-11-2889491

@ info@rgd.gov.lk

🌐 www.rgd.gov.lk

BOI

✉ Chairman
Board of Investment of Sri Lanka
Level 26, West Tower
World Trade Centre
Echelon Square
Colombo 01
Sri Lanka.

☎ Executive Director (Investment)
94-11-2438972, 2427071

Executive Director (Investment)
94-11-2430511, 2427032

Executive Director (Investment)
94-11-2473763, 2427203

@ infoboi@boi.lk

🌐 www.investsrilanka.com

An individual who is a non citizen or a company incorporated in Sri Lanka with more than 25 per cent foreign participation in the equity of such company or a company incorporated in Sri Lanka as an overseas company can purchase land in Sri Lanka subject to paying Property Transfer Tax at 100 per cent of the purchase price of such land.

Steps

1. Obtain Title Report after notary carries out a title search at the relevant Land Registry.
2. Get the deed signed by parties, witnesses and notary, attested.

3. Hand over of the deed for registration to the relevant Land Registry through Notary/Lawyer or by purchaser with the paying slip of crediting the Property Transfer Tax to Registrar General's account.
 - a. Cost to complete: Stamp duty payable as follows: 3% on the first Rs. 100,000/- and 4% on the balance.
4. Registration of the deed at the Land Registry.
5. Return of the Registered deed over the counter or by post.

Note 1:

Any company which has been approved by the BOI and purchases a land under the following will be exempted from payment of 100 per cent Property Transfer Tax provided the total cost of land is met by inward remittances of foreign currency.

	Sector	Investment requirement
1.	A project for the construction of not less than hundred residential housing units, each constructed on individual allotments of land not exceeding ten perches or a condominium property within the meaning of the apartment Ownership Law, No. 11 of 1973 comprising not less than hundred units for residential or non-residential accommodation.	-
2.	Construction and operation of hospitals or hotels.	US\$ 10 Mn.
3.	Infrastructure Development or any other development determined by the Minister of Finance as being essential for the economic progress of Sri Lanka.	US\$ 50 Mn.
4.	A project solely for the manufacture of non-traditional goods for export for the establishment of its manufacturing plant, office, storage facilities, dormitories for workers.	US\$ 1 Mn.
5.	Any condominium unit of a condominium property situated on or above the fourth floor of such condominium property, the ownership of which is transferred to a person who is not a citizen of Sri Lanka if the value of such unit is met by inward remittances of foreign currency. (This applies to any condominium property, BOI or otherwise)	-

6.	A project relating to the service sector including BPO industry, IT related training institution, educational institution, determined by the Minister as being essential for the economic progress of Sri Lanka and employing not less than 50 local persons.	US\$ 2 Mn.
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Note 2:

If the investment is not made within the stipulated period, the company will be liable to pay the transfer tax on the lands purchased under the above exemptions.

3.5 Industrial Pollution Control and Approval of New Projects

The main organization concerned with environment issues is the Central Environment Authority.

- ✉ Chairman
Central Environmental Authority
“Parisara Piyasa”
104, Denzil Kobbekaduwa Mawatha
Battaramulla
Sri Lanka.
- ☎ 94-11-2872361, 2872348
- ☎ 94-11-2872347
- @ chair@cea.lk

- ☎ Director General
94-11-2872359
- ☎ 94-11-2872608

- ☎ Deputy Director General
(Environmental Pollution Control)
94-11- 2873453
- ☎ 94-11-2872605
- @ muthukuda@cea.lk

- ☎ Deputy Director General
(Environmental Management & Assessment)
94-11- 2872388
- ☎ 94-11-2872296

- ☎ Director
(Environmental Pollution Control)
94-11- 2873452
- ☎ sanjaya@cea.lk

- ☎ Director (Waste Management)
94-11-2872402
- ☎ 94-11-2872278, 2872263

- ☎ Director (EIA)
94-11-2876643
- @ dg@cea.lk
- 🌐 www.cea.lk

Waste Management

Waste generated from the industry could be identified as two categories.

- A. General Municipal Waste
- B. Hazardous waste (Scheduled waste)

A. Disposing Municipal Waste

General Municipal Waste generated at the industry should be disposed in consultation with the relevant Local Authority (Municipal Council, Urban Council, Pradesheya Sabha).

B. Disposing Hazardous Waste (Scheduled Waste)

As per the Part II of the National Environmental (Protection and Quality) Regulations No.1 of 2008 (Gazette notification No: 1534/18 dated 01.02.2008) Scheduled Waste Management Licence (SWML) should be obtained from the Central Environmental Authority for the Management (Generating, Collecting, Transporting, Storing, Recovering, Recycling or Disposing waste or establishing any site or facility for the disposal) of waste specified in the Schedule VIII of the regulation.

Industries generating the waste listed in scheduled VIII should obtain a license from the CEA to manage such waste (This schedule can be downloaded from the web site www.cea.lk).

Obtaining a Scheduled Waste Management License:

Steps

1. Submit the duly filled application form with the following documents (application can be collected from the CEA or downloaded from the web site www.cea.lk).
 - a. Proposed waste management plan of the industry
 - b. Copy of the Survey Plan
 - c. Agreement with the disposer and disposal mechanism.
 - d. EIA approval / Site recommendation obtained from CEA to establish the Industry or any such approval
2. Pay the inspection fees to the CEA (Rs.11,536/- including NBT and VAT).
3. Site inspection carried out by the CEA to confirm compliance.
4. Pay the License fees to the CEA (generator Rs. 1,256/- including NBT, VAT and Stamp Duty).

Note:

Scheduled Waste Management License is granted subject to conditions. This has to be renewed annually.

Regulation for control of pollution from industries

Industries or activities have been classified as High Polluting (A category), Medium Polluting (B category) or Low Polluting (C category) by the Central Environmental Authority (CEA). All these categories of industries are required to obtain a site recommendation prior to siting of the industry from the CEA and an Environmental Protection Licence (EPL) once operation commences.

1. Site Recommendation

Site recommendation procedure is a tool to assess and manage pollution from prescribed activities at the beginning of the activity. All industries and activities listed in the Gazette Notification No. 1533/16 dated 25.01.2008 are required to apply for a site recommendation from the CEA prior to siting the industry at the proposed site.

There is an application (Questionnaire for Initial Environmental Impact Identification) which could be obtained at the CEA Head Office or Provincial Offices which has to be completely filled with the required details and submitted to the CEA with the required inspection fee. An inspection of the proposed site will then be carried out by CEA officers and the site recommendation will be issued or rejected as the case may be.

2. Environmental Protection Licence

Emissions from industrial activities are mainly controlled by the Environmental Protection Licence (EPL) issued by CEA under the provisions in the National Environmental Act (NEA).

EPL regulations are in the form of a Gazette Notification No. 1534/18 of 01.02.2008 and possession of an EPL is a legal requirement for operating of a prescribed industrial activity.

Industries/activities which require an EPL are prescribed under 3 lists in the Gazette Notification No. 1533/16 of 25.01.2008. In this Gazette industries are listed as category A, B or C according to their pollution potential. EPL for high and medium level polluting activities (list A & B) are issued by CEA and EPL for low level polluting activity (list C) are issued by relevant Local Government Authorities (L/A) under the delegation of powers by CEA. If the prescribed activity/industry is registered under section 17 of the Board of Investment (BOI) Act, the EPL is issued by the BOI with CEA concurrence.

To obtain an EPL for an industry, wastewater and air emissions to the environment as well as noise has to be controlled according to

the standards stipulated by the CEA. Wastewater discharge, noise and ambient air quality standards are in Gazette Notifications No. 1534/18, No. 924/12 of 23.05.1996 and No. 1562/22 of 15.08.2008 respectively. There are also air emission standards which requires to be met.

Steps for obtaining an EPL

1. Submission of an application to the relevant EPL granting institute (CEA, BOI or L/A) with required documents.
2. Payment of the inspection fee.
3. Inspection carried out by CEA/BOI/Local Authority as applicable.
4. Pay the licence fee on the request of the relevant Authority (CEA, BOI or Local Authority).
5. Issuance of the EPL by the CEA, BOI or L/A.

“A” category activity licences are issued for one year and require to be renewed annually. An application for renewal has to be sent to the CEA 3 months prior to the expiry date of the licence. EPL fee for the “A” type activity is Rs. 7,500/- (excluding government taxes) for a 1 year period.

“B” and “C” category activity licences are issued for three years and application for renewal has to be sent to the relevant authority 3 months prior to the expiry date of the licence. EPL fee for type “A” and “B” activity is Rs. 6,000/- and Rs. 4,000/- rupees (excluding government taxes) respectively, for a 3 years period.

ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

Environmental Impact Assessment (EIA) process has been introduced for the purpose of evaluation of beneficial and adverse impacts of new projects on the environment. The legal framework for the EIA process in Sri Lanka has been laid down in the National Environmental Act (NEA) in 1988. Projects coming under the coastal zone as defined in the Coast Conservation Act are excluded from the NEA. EIA approvals for projects within the coastal zone are granted by the Coast Conservation Department. The EIA process under the NEA is summarized below;

1. EIA process is mandated only for large scale development projects or projects which are located in environmental sensitive areas. The types of projects which require EIA have been prescribed in the Gazette (Gazette No. 772/22 of 24.06.1993).
2. EIA process is implemented through designated “Project Approving Agencies (PAA)” led by the Central Environmental

Authority (CEA). The PAAs are EIA administrative agencies that are responsible for guiding the EIA for projects and for issuing EIA approval or rejection. A single PAA is appointed as the appropriate PAA for each EIA by the CEA.

3. Any prescribed project submitted for approval requires to submit either an Initial Environmental Examination (IEE) report or Environmental Impact Assessment (EIA) report. The prescribed projects which do not have complex environmental issues require an IEE report while the projects which involve complex environmental issues require an EIA report.
4. The EIA reports are required to be open for public inspection and comment for a mandatory period of 30 days.

EIA process :


- (a) The project proponent needs to submit some preliminary information about the project to the CEA, in order to initiate the EIA / IEE process. The project proponent could submit the preliminary information through a Basic Information Questionnaire which could be obtained from the CEA Head Office or Provincial/District Offices or downloaded from the CEA website.
- (b) EIA / IEE process involves 6 major steps; (i) screening (ii) scoping (iii) preparation of the EIA / IEE report (iv) review of the report (by the public and the PAA) (v) approval with terms and conditions or rejection with reasons (vi) post approval monitoring. The step wise process has been defined in the EIA regulations which have been published in the Gazette No. 772/22 of 24.06.1993.
- (c) The PAA is responsible for implementation of each step of the process except preparation of EIA / IEE reports. The project proponent or consultants hired by the project proponent is responsible for preparation of the EIA / IEE report.
- (d) The time allowed for the PAA for each step has been stipulated in the Gazette provided that the information submitted by the project proponent is sufficient to proceed. There is no time limit given for preparation of the EIA / IEE report by the project proponent.
- (e) EIA regulations under the NEA are applicable only for projects which are located outside the coastal zone.

(More detailed information regarding the EIA procedure is given in "Guidance For Implementing the Environmental Impact Assessment (EIA) Process" which is available at the CEA for Rs. 100/- or by contacting Director (EIA), CEA – T.P. 2876643)


3.6 Contacting the Police


General

In case of emergency dial 119 or 2433333 police emergency service free of charge to the caller from any location of the Island.


 Traffic Division
94-11-2431718, 2421111 - Ext. 283


 E-mail : traffichq@police.lk

 Narcotic Bureau
94-11-2324626, 2343333, 2343334

 94-11-2440584

 Human Rights Division
94-11-2507904, 2555149, 2507905

 Child & Women Bureau
94-11-2444444

 Information Room
94-11-2854931

3.7 Enforcing a Contract

Methods available for enforcement of contracts depend heavily on the choice of the parties as reflected in the contract. Parties are free to include provisions in the contract that enables alternative dispute resolution methods that relieve them from possible litigation. Depending on the parties' choice, direct litigation is also available.

A. Alternative Dispute Resolutions

It is common for the parties to opt for alternative methods such as mediation and arbitration.

In the case of arbitration provisions of the Arbitration Act, No. 11 of 1995 would apply. This Act is broadly based on the UNCITRAL Model Law on International Commercial Arbitration.

When a contract contains an arbitration clause, disputes arising from such contracts should be resolved through arbitration. Parties are not permitted to go for litigation without resorting to arbitration.

Arbitration awards, irrespective of the country in which it was made, are enforceable. High Courts are vested with the jurisdiction for this purpose.

B. Litigation

Depending on the value of the issue in dispute, Ordinary Civil Courts or the High Court of the Provinces will exercise jurisdiction.

Steps

1. Filing of plaint by plaintiff
2. The Defendant files the Answer
3. Filing of Replication by Plaintiff
4. Parties determine admissions and issues
5. Examination of witnesses and documents
6. Order
7. Enforcement of the Order
8. If dissatisfied with the Order appeal to higher courts

Contributing Organizations / Institutions

Registrar General of Companies	– Department of Registrar of Companies
Chairman	– Board of Investment of Sri Lanka
Commissioner	– Colombo Municipal Council
Registrar General	– Registrar General's Department
Chairman	– Sri Lanka Telecom
Chairman	– Ceylon Electricity Board
Chairman	– National Water Supply and Drainage Board
Commissioner General of Labour	– Department of Labour
The Superintendent of Employees' Provident Fund	– Employees' Provident Fund Department Central Bank of Sri Lanka
Chairman/CEO	– Employees' Trust Fund Board
Commissioner General of Inland Revenue	– Department of Inland Revenue
Commissioner General of Motor Traffic	– Department of Motor Traffic
Chairman	– Colombo Stock Exchange
Director of Bank Supervision	– Bank Supervision Department Central Bank of Sri Lanka
Chief Executive Officer (Domain Registrar)	– LK Domain Registry
Director General of Customs	– Sri Lanka Customs
Controller General of Immigration & Emigration	– Department of Immigration & Emigration
Chairman	– Central Environmental Authority
Secretary	– Secretariat Department Central Bank of Sri Lanka

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