

**BOARD OF INVESTMENT OF SRI LANKA**

**UNDER SEC. 16 OF THE BOI LAW**

**NOTES FOR YOUR GUIDANCE**

1. The application shall be used
   1. Either for the purpose of setting up a new company with foreign shareholding up to 100% which is not eligible to be operated under Sec. 17 of the BOI Law

or

* 1. For the purpose of transferring or issuance of new shares in an existing non-BOI company to foreign investors only.

1. This application should be completed with relevant information and submitted as indicated in (vi) below.
2. Provide documentary evidence relating to business background e.g. Company Profile, Current Annual Report, Bank Credentials and a Project Report if available.
3. Application Processing fee:

Please pay in cash or credit cards and bank draft in favour of the “Board of Investment of Sri Lanka”

(a) Overseas - Bank draft or credit card for US $ 400 + (2.5% SSCL) + VAT (18%)

(b) In Sri Lanka - Bank draft , credit card or cash equivalent of US $ 400 + (2.5% SSCL) + VAT in

SL Rupees

(The above processing fee is applicable only for this project application and it is non-refundable and non-transferable under any circumstances.)

1. If you require any assistance in filling up the application form, please contact Director (Investment Appraisal) and his staff on Tel: +94 11 2346339, +94 11 2427077, +94 11 2434342, +94 11 2427094,+94 11 2434403-5, +94 11 2346131-3 (24th Floor).

(vi) The completed application may be submitted with the appropriate fee to the Director (Investment) / Senior

Deputy Director (Investment), Investment Department, Board of Investment of Sri Lanka, 24th  Floor ,West

Tower, World Trade Centre, Echelon Square, Colombo 01.

(vii) (a) Applicants of this application shall be either a shareholder in case of a new company.

or

(b) A shareholder’s representative who is in possession of a letter of authority to act on his/her behalf.

(viii) The Board reserves rights to withdraw its approval at any time if it finds any misrepresentation of facts

stated in the application.

**APPLICATION FOR APPROVAL OF AN INVESTMENT**

**42/FO/IN/02**

**Board of Investment of Sri Lanka**

**Application for Investment Approval**

For office use only

**UNDER SEC.16 OF THE BOI LAW**

1. **Investor profile**

**Particulars of Investor 1 Particulars of Investor 2**

Name: ……………………………………………………………………… Name: ………………………………………………………………….

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Address: …………………………………………………………………… Address: ………………………………………………………………..

No/street:…………………… City………………………………………. No/street ………………………….. City …………………………

State/District :…………………….. Country …………………………… State/District :…………………….. Country …………………………

Postal Code ……………………………………………………………….. Postal Code ……………………………………………………………..

Tel…………………………Fax………………….E-Mail………………… Tel…………………Fax………………….E-Mail………………………

(when the number of Investors are more than two, please attach a separate sheet)

1. **Project Profile**
   1. form of Venture

New Company Issuance/Transferring of shares of an existing company

* 1. project Activity/ Brief Description:

……………………………………………………………………………………………………………………………………………………………………………………………………………….

* 1. Identify the activity as per the “Areas of Investment “ as shown overleaf

Part 3 Part 4

* 1. Proposed Investment (USD)

Fixed Capital :………………………….. Working Capital :……………………………….. Total :…………………………………………………..

2.5 Proposed Financing (USD) Share Capital Loan Capital

Foreign :…………………………………….. Foreign :……………………………………..

Local : …………………………………… Local : …………………………………….

Total : : ………………………………….. Total …………………………………….

2.6 Project Location Address :…………………………………………………………………………………………………………………………………………………………

Land Ownership: Private State If state, Agency

2.7 Employment (Number) : Foreign:……………………….. Local: …………………………………….. Total: ……………………………………

3**. Remittable Liabilities (Rs.Mn.)**

Royalty Technical Services fee

3.1 Basis of computation ……………………………………….. ………………………………………

* 1. Period of payment ……………………………………….. ……………………………………….

1. **Project Implementation programme (Number of month after obtaining Approval)**

3.1 Commence construction or initiating to finance the project (as application) : …………………(months)

3.2 Commence Commercial Operation : …………………( months)

1. **Contact Person in Sri Lanka (if any)**

Name: …………………………………………………………………………………………………………………………………..

Address: ……………………………………………………………………………………………………………………………….

Tel ………………………………………….. Fax: ……………………………………… Email……………………………………..

1. **Declaration**

I declare that information furnished above in the application, attachments and otherwise represented are true and correct in all respect and

undertake to inform the BOI immediately if any change in the information given above.

Signature.

Name :………………………………………………………. Designation :………………………………………………..

Tel :………………………………….Fax:……………… Email :……………………….. Date:……………………………………….

NOTES :

APPLICATION SHOULD BE SUPPORTES BY :

1. Provide details of marketing, investment & source of finance as per annex – II.
2. Draft Articles of Association of the company.
3. Statement of names of the proposed shareholders and the number of shares held by each of them signed by the Applicant.
4. Statement of the names and addresses of the proposed Directors signed by the Applicant, and
5. Proof of inward remittance along with Bank Credentials of the proposed investors.
6. In the event, the application is forwarded by a representative of the proposed new shareholders, he or she should submit a copy of a letter of authority to act on their behalf which shall also indicate of individual, foreign equity contribution of each foreign collaborator.

Annex - II

1. **Marketing Programme for One Year**  (US $ Mn.)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| PRODUCTS/SERVICES | UNIT OF  MEASURE | EXPORTS | | | LOCAL SALES | | | TOTAL | |
| QT | VL | % | QT | VL | % | QT | VL |
| a). |  |  |  |  |  |  |  |  |  |
| b). |  |  |  |  |  |  |  |  |  |
| c). |  |  |  |  |  |  |  |  |  |
| d). |  |  |  |  |  |  |  |  |  |
| e). |  |  |  |  |  |  |  |  |  |
| f). |  |  |  |  |  |  |  |  |  |

1. **Investment Programme**  (US $ Mn.)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| YEAR 1 | | | | YEAR 2 | | | | Total | |
| 1 ST HALF | | 2 ND HALF | | 1 ST HALF | | 2 ND HALF | |
| Foreign | Local | Foreign | Local | Foreign | Local | Foreign | Local | Foreign | Local |
|  |  |  |  |  |  |  |  |  |  |
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**A. Fixed Capital**

Land

Buildings

Plant & Equipment

Other

TOTAL (A)

**B. Working Capital**

Stocks

Cash in Hand

Other

TOTAL (B)

TOTAL (A & B)

1. **Proposed Financing** (US $ Mn.)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Type of Financing** | YEAR 1 | | | | YEAR 2 | | | |
| 1 ST HALF | | 2 ND HALF | | 1 ST HALF | | 2 ND HALF | |
| Foreign | Local | Foreign | Local | Foreign | Local | Foreign | Local |
| **Share Capital** |  |  |  |  |  |  |  |  |
| **Loan Capital** |  |  |  |  |  |  |  |  |
| **Others (Specify)** |  |  |  |  |  |  |  |  |
| **TOTAL** |  |  |  |  |  |  |  |  |

1. **Manpower Requirements**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Category | Managerial staff | Technical & Supervisory staff | Clerical and other workers | Skilled workers | Un-skilled workers | Total |
| 1. Local |  |  |  |  |  |  |
| 1. Foreign |  |  |  |  |  |  |
| **Total** |  |  |  |  |  |  |

Authorizes Signature……………… Date: …………………………..

AREAS OF INVESTMENT

**Part 1**

The following activities are reserved for citizens of Sri Lanka

1. Pawn brokering
2. Coastal fishing
3. Retail trade a capital of less than US Dollars five million

**Part 2**

The following activities, while not necessarily to foreign investment are regulated by specific laws or organizations, and hence are subject to approval by other statutory agencies BOI will, however, direct potential foreign investors to the appropriate State agency.

1. Air transportation
2. Coastal Shipping
3. Industrial Undertaking in the Second Schedule of the Industrial Promotion Act No.46 of 1990

Namely:-

Any industry manufacturing arms and ammunition, explosives, military vehicles and equipment, aircraft and any other military hardware.

Any industry manufacturing poisons, narcotics, alcohols, dangerous drugs and toxic,

Hazardous or carcinogenic materials Any industry producing currency, coins or security documents

1. Large-scale mechanized mining of gems
2. Lotteries

**Part 3**

Foreign investment up to 100% of the capital of any enterprise which is already carrying on or proposing to carry on a business activity other than those listed in parts 1,2 and 4 as indicated in this page will be approved by the BOI.

**Part 4**

1. Foreign investment up to 40% of equity in a company proposing to carry on a business activity listed below other than those listed in parts 1 and 2 will be approved by BOI.
2. Foreign investment in excess of 40% (and up to 100 %) in a company proposing to carry on a business activity listed below, other than those listed in parts 1 and 2 will be approved by BOI on a case by case basis in consultation with the relevant Authorities. This situation will be reviewed every two years with the aim of further simplification.
3. Production of goods where Sri Lanka’s exports are subject to internationally determined quota restrictions.
4. Growing and primary processing of tea, rubber, coconut, cocoa, rice, sugar and spices.
5. Mining and primary processing of non – renewable natural resources.
6. Timber- based industries using local timber.
7. Fishing (deep sea fishing)
8. Mass Communications.
9. Education.
10. Freight Forwarding.
11. Travel Agencies.
12. Shipping Agencies.