

## PART XI

## PROVISIONS RELATING TO OFFSHORE COMPANIES

Interpretation. **260.** In this Part of this Act, “company” includes a company or a body corporate incorporated under the laws of any foreign country.

Company incorporated for business outside Sri Lanka. **261.** (1) Any company may make an application to the Registrar in accordance with the provisions of this Part of this Act to be registered in Sri Lanka as an off-shore company and to be so referred to, and in the case of a company incorporated abroad, to be deemed to be incorporated in Sri Lanka, as if it had been incorporated under the provisions of this Act.

(2) An application for registration under subsection (1) shall have annexed thereto the following documents :—

- (a) a certified copy of the charter, statute or memorandum and articles of association of the company or other instrument constituting or defining the constitution of the company, and where such instrument is not in an official language or in English, a translation of the 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;
- (c) the names and addresses of one or more persons who are resident in and are citizens of Sri Lanka, who is or are authorised to represent the company;
- (d) a statement containing the full address of—
  - (i) the registered or principal office of the company in the country of incorporation; and
  - (ii) the office of the company in Sri Lanka;

- (e) a certified copy (certified of recent date of the incorporation of the company).

(3) The company shall notify the Registrar of any amendments or alterations in respect of any of the aforesaid particulars within the prescribed time, and in the prescribed form.

**262.** (1) Subject to the provisions of subsections (3) and (4), the Registrar may, having regard to the national interest or in the interest of the national economy, issue a certificate of registration to an off-shore company for the carrying on of its business outside Sri Lanka, where that off-shore company—

Grant of  
certificate of  
registration to  
off-shore  
company.

- (a) makes payment of the prescribed fee; and
- (b) produces 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 that bank in the name of the off-shore company.

(2) A certificate of registration issued to an off-shore company under this Part of this Act, shall exempt the company from complying with any other provision of this Act.

(3) No certificate of registration shall be granted to a company under this section, where —

- (a) the winding up or liquidation of such company has commenced;
- (b) a receiver of the property of such company has been appointed;
- (c) there is any scheme or order in force in relation to such company under which the rights of creditors are suspended or restricted.

(4) Before the Registrar issues a certificate of registration to an off-shore company under this section, he shall satisfy himself that—

- (a) 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;
- (b) the issue of such certificate does not render defective any legal or other proceedings instituted or to be instituted by or against the company,

and shall embody in the certificate such conditions as he may deem necessary in the national interest or in the interest of the national economy.

(5) The Registrar may for good cause cancel the registration of an off-shore company under this Part of this Act. Upon such cancellation, the off-shore company shall cease to enjoy the privileges and benefits granted under this Part of this Act or under any other written law relating to off-shore companies.

Continuation of  
business of off-  
shore company.

**263.** An off-shore company which intends to continue its business as an off-shore company under this Act shall in every calendar year—

- (a) produce to the Registrar proof of payment of the prescribed fee in the prescribed manner at the commencement of that year and not later than the thirty first day of January of that year ; and
- (b) produce to the Registrar not later than the thirty-first day of January of that year, or such later date as the Registrar may approve, a bank certificate as required under paragraph (b) of subsection (1) of section 262 in regard to defraying of the expenses of the off-shore company for that year.

**264.** (1) 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.

Prohibition on carrying on business in Sri Lanka.

(2) Nothing in subsection (1) shall preclude an off-shore company securing in Sri Lanka any benefits or advantages available under any written law which may be applicable to it.

**265.** An off-shore company may cease carrying on business as an off-shore company by giving notice to the Registrar in the prescribed form of its intention to do so.

Cessation of business as an off-shore company.

## PART XII

### WINDING UP

#### (1) PRELIMINARY

#### Modes of winding up

**266.** In this Part of this Act, the expression “contributory” means every shareholder of the company and every other person liable to contribute to the assets of a company in the event of its being wound up, and for the purposes of all proceedings for determining and all proceedings prior to the final determination of, the persons who are to be deemed contributories and includes any person alleged to be a contributory.

Definition of contributory.

**267.** (1) The winding up of a company may be either —

Modes of winding up.

- (a) by the court;
- (b) voluntary; or
- (c) subject to the supervision of the court.

(2) The provisions of this Act with respect to winding up shall apply unless the contrary appears, to the winding up of a company in any manner set out in subsection (1).