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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1791/43 - 2013 ජනවාරි මස 04 වැනි සිකුරාදා - 2013.01.04

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PART I : SECTION (I) — GENERAL

Central Bank of Sri Lanka Notices

NOTICE UNDER THE EXCHANGE CONTROL ACT (CHAPTER 423 OF THE CLE)

1. PERMISSION is hereby granted for the purposes of Sections 7, 10, 11, 15 and 30(5) as applicable of the Exchange Control Act, No. 24 of 1953 as amended (Chapter 423 of the CLE) for the issue and transfer of Sri Lankan Rupee denominated redeemable preference shares in a company classified as a specified business enterprise in terms of the Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995 to approved country funds, approved regional funds, corporate bodies incorporated outside Sri Lanka and individuals resident outside Sri Lanka (inclusive of Sri Lankans resident outside Sri Lanka) subject to the conditions set out hereinafter.
 - (i) The tenor of a preference share should not be less than three years from the date of issue.
 - (ii) Redemption of the shares shall not commence earlier than one year from the date of issue and shall be phased out proportionately throughout the balance period.
 - (iii) If the shares so issued are convertible into ordinary shares, such conversion may be effected at anytime and shall comply with the exclusions and limitations specified in the *Government Gazette extraordinary* No. 1232/14 of 19.04.2002 as amended.
 - (iv) A person resident outside Sri Lanka who is a party to a transaction permitted hereunder shall make a declaration to the effect that such person is a resident outside Sri Lanka on the share transfer form or share application form as applicable.
 - (v) The payment for shares in any issue or transaction permitted hereunder shall be made only out of or into a Securities Investment Account (SIA) opened in a licensed commercial bank in Sri Lanka in accordance with the directions issued by the Controller of Exchange in that behalf to such banks.
 - (vi) A licensed commercial bank, a licensed share broker or any other person entrusted with the payment such as sale proceeds of shares, dividends and commissions in respect of any transaction permitted hereunder shall make such payments only into or out of a SIA referred to in paragraph (v) above.

2. Permission is also hereby granted –

- (a) under Section 11 of the Exchange Control Act for the transfer by approved country funds, approved regional funds, corporate bodies incorporated outside Sri Lanka and individuals resident outside Sri Lanka of shares acquired in terms of paragraph 1. subject to the conditions stipulated in (iv), (v) and (vi) of paragraph 1.
- (b) under Section 7 of the Exchange Control Act for making any payment to or for the credit of a person resident outside Sri Lanka in respect of a transaction permitted hereunder in accordance with the conditions (vi) stipulated in paragraph 1.

3. Nothing contained herein shall be construed as affecting or having a bearing on -

- (a) a company with which an agreement has been entered into by the Board of Investment of Sri Lanka under Section 17 of the Board of Investment of Sri Lanka Law No. 4 of 1978 in respect of which exemptions have been granted from the Exchange Control Act, to the extent of such exemption ;
- (b) the provisions of any other written law.

P. H. O. CHANDRAWANSA,
Controller of Exchange.

Colombo,
04th January, 2013.

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