

When you first decide to expand to Sri Lanka, you'll probably find yourself picturing all the benefits of a global expansion. However, those benefits can become overshadowed with doubts about the Sri Lanka subsidiary setup process and all the challenges ahead. Choosing Sri Lanka subsidiary outsourcing with Globalization Partners will help you focus on building your company abroad instead of worrying about compliance.

You can work with Globalization Partners using our existing Sri Lanka subsidiary rather than figuring out how to set up a Sri Lanka subsidiary on your own. As the Employer of Record, we'll handle everything from hiring employees who work for your company to meeting Sri Lanka's subsidiary laws on your behalf. You can count on us to help you expand in a fraction of the time without any worries about compliance.

How to Set up Your Sri Lanka Subsidiary

The process of setting up a Sri Lanka subsidiary differs by company, as both location and entity play a role. For example, someone incorporating in one region of the country may not have the same Sri Lanka subsidiary laws as another region or city. If you're not sure of the best place to incorporate, we recommend working with an expert who can help you choose a location with favorable laws for foreigners.

Another factor that impacts the Sri Lanka subsidiary setup process is company type. You can incorporate as one of many different entities based on your desired activity level in the country. Sri Lanka allows foreigners to incorporate as a limited liability company (LLC), public limited company, branch office, and representative office. The entity you choose should depend on what kind of business transactions you'll complete in the country.

LLCs allow for the most freedom and flexibility in the country, so many companies choose to incorporate as an LLC. The steps to set up your Sri Lanka subsidiary as an LLC include:

- Reserving a company name through the Registrar of Companies online
- Having the director and company secretary sign a consent form
- Filing the right paperwork through the Registrar, including your Articles of Association
- Obtaining a Tax Identification Number with the Taxpayer Services Unit
- Giving public notice of the company through daily newspapers and the Government Publications Bureau
- Setting up in-country bank accounts
- Obtaining an Employee Provident Fund number through the Department of Labor

Sri Lanka Subsidiary Laws

If you decide to incorporate as an LLC, you'll have to follow the Sri Lanka subsidiary laws specific to that entity. For example, you need at least one director and two shareholders who can be of any nationality. You do not need any minimum share capital, but you'll need a company secretary who normally resides in Sri Lanka.

The second most common business type is a public limited company. Like LLCs, PLCs do not require any minimum share capital, but you need two shareholders and two directors who are Sri Lankan nationals. Directors are responsible for filing annual tax returns and submitting audited accounts and financial statements every year.

Benefits of Sri Lanka Subsidiary Outsourcing

Since the Sri Lanka subsidiary setup process can be complicated and time-consuming, Globalization Partners offers a positive solution. Sri Lanka subsidiary outsourcing with us means you won't have to spend months or even a year establishing your own subsidiary. You can use our Sri Lanka PEO to work in as little as a day or two. Plus, you can count on our team to handle Sri Lanka's subsidiary laws, so you can focus on running your company without worrying about compliance.

What Do You Need to Incorporate?

Once you decide to undertake the incorporation process, you need to make sure you have everything in line to meet your goals. Start by ensuring that you have enough time to complete all the tasks or you could face additional fines or delays. You should also work with your accounting department to set aside the funds to cover all necessary expenses. Finally, employ the services of an expert or consultant if you're not sure you can meet Sri Lanka's subsidiary laws on your own.

Work With Our Team to Meet Your Goals

Globalization Partners will act as your payroll processing company, recruitment center, and benefits manager all in one. [Contact us today](#) to learn more about Sri Lanka subsidiary outsourcing.