



CHARTERED ACCOUNTANTS

Companies Act Section-by-section reference note

**Companies Act, No. 07 of 2007
Sri Lanka**

548 section notes • 23 Parts • 13 Schedules

Including Companies (Amendment) Acts Nos. 13 of 2014, 13 of 2019, 23 of 2024 and 12 of 2025, with the 2026 beneficial ownership regulatory framework.

Research cut-off: 31 October 2026

A concise professional reference for directors, company secretaries, finance teams and advisers.

Synergy Advisors (Chartered Accountants)
2nd Floor, No. 464, High Level Road, Gangodawila, Nugegoda 10250
sa.lk | info@sa.lk | +94 71 434 7918

How to use this note

Each numbered section of the 2007 Act has its own short note. The 14 inserted sections are placed in statutory sequence: 51A, 130A-130J, 433A, 484A and 513A. References to sections mean sections of the principal Act unless stated otherwise.

The notes summarise the main rule rather than every subsection, exception, procedure or penalty. Statutory headings are retained with minor editorial corrections. Read the cited Act and applicable regulations before applying a rule to a transaction or filing.

Amendment markers

A14 / A19 / A24 / A25 identify amendments made in 2014, 2019, 2024 and 2025. **A25-S** identifies an affected section in the 2025 Act's correction Schedule. Unmarked sections are summarised from the 2007 text. The correction Schedule includes some cross-reference changes as well as spelling corrections.

Commencement and scope

Certification is not always commencement. The 2025 substantive amendments commenced on 30 March 2026. The 2024 Act expressly requires a ministerial commencement order for provisions other than section 1; the specific order was not independently established in the sources reviewed. Its changes are therefore described as enacted changes subject to that qualification, rather than asserted to be operative from 1 April 2024.

The beneficial ownership appendix includes the March regulations, their October replacement and the further changes effective 22 October 2026. It distinguishes statutory duties from forms, administrative notices and fees.

The Act contains references to older tax, securities and other legislation. This note does not constitute a consolidation of every consequential change made by other enactments. In particular, the 2014 section 132 tax certificate wording and tax preferences must be read with current Inland Revenue legislation and current filing requirements.

Professional-use note

Prepared under the requested Synergy Advisors identity using the logo published on sa.lk. This is an explanatory reference, not an official consolidated statute or a transaction-specific legal opinion. Currency of deadlines, portal requirements and fees should be checked at the filing date.

Contents

How to use this note	2
Contents	3
Amendment guide	5
Preliminary	6
Part I - Incorporation and related matters	6
Part II - Private companies	8
Part III - Companies limited by guarantee	8
Part IV - Shares and debentures	9
Part V - Shareholders: rights and obligations	13
Part VI - Registration of charges	15
Part VII - Management and administration	16
Part VIII - Amalgamations	25
Part IX - Compromises with creditors	26
Part X - Court-approved arrangements	27
Part XI - Offshore companies	27
Part XII - Winding up	28
Part XIII - Administrators	37
Part XIV - Floating charges	39
Part XV - Receivers and managers	40
Part XVI - Registrar-General and registration	43
Part XVII - Existing companies	44
Part XVIII - Overseas companies	45
Part XIX - Advisory Commission	47
Part XX - Companies Disputes Board	47
Part XXI - Offences	47
Part XXII - Miscellaneous	49
Part XXIII - Repeals and amendments	50
The 13 Schedules	51
Amending Acts: clause-by-clause map	52

Beneficial ownership regulations - 2026	54
Sources and verification notes	56

Amendment guide

2014 - Act No. 13 of 2014 | certified 24 April 2014

Replaces section 132 for private-company declarations, certificates and notifications; extends specified income-tax and VAT liquidation preference periods in the Ninth Schedule; adds the Commissioner-General definition in section 529.

2019 - Act No. 13 of 2019 | certified 6 August 2019

Moves incorporation public notice to the Registrar under section 5(1)(d), within 60 working days; removes section 9(1); adapts the section 10 name-objection reference.

2024 - Act No. 23 of 2024 | certified 1 April 2024

Aligns floating-charge provisions with the Secured Transactions Act, No. 17 of 2024. Affects sections 427, 428 and 431 and inserts section 433A. The appointed commencement qualification on the preceding pages applies.

2025 - Act No. 12 of 2025 | certified 4 August 2025

Introduces the beneficial ownership regime; expands single-shareholder incorporation; bans bearer shares and warrants; changes allotment timing, director removal and selected administration, registry and enforcement provisions; adds a general penalty rule and a 93-item correction Schedule.

2025 corrections with practical reading implications

Read section 19(2) with paragraph (b); section 167(1) with “annual report”; section 168(2) with paragraphs (d)-(j); section 248(2) with paragraph (e); and section 389(3) with “courts”. The Fourth Schedule Part II paragraph 22(1)(a) changes “shares or debentures” to “shares and debentures”. These are not all merely typographical changes.

Quick compliance focus

Maintain the corporate and beneficial ownership registers; establish who ultimately controls the company; appoint and maintain the resident authorised person; review share issues and transfers for event filings; maintain annual-return and AGM calendars; and retain evidence supporting solvency decisions, distributions and significant board approvals.

Preliminary

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

1. Short title and date of operation

Names the Act and provides for commencement by ministerial Gazette order.

Part I - Incorporation and related matters

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

2. Legal status and capacity of a company

Creates a separate corporate person with capacity to conduct business and exercise corporate powers in Sri Lanka and abroad, subject to applicable law and its articles.

3. Different types of companies

Distinguishes limited, unlimited and guarantee companies; additional rules apply to private and offshore companies.

4. Method of incorporating a company [A25]

Prescribes incorporation applications, articles and director/secretary consents. As amended in 2025, a non-guarantee company may have a single natural-person, corporate or Treasury shareholder.

5. Incorporation of a company [A19]

Registrar registers the company and issues its certificate. The 2019 amendment places incorporation publicity on the Registrar, within 60 working days, with prescribed company particulars.

6. Requirements as to name

Requires the appropriate Limited/Ltd, (Private) Limited/(Pvt) Ltd or Public Limited Company/PLC name ending.

7. Restrictions on names

Prohibits identical or misleading names and restricts specified government-related and other protected expressions without the required consent.

8. Change of name

Permits a name change by special resolution with prior written Registrar approval; notify the Registrar within 10 working days. Existing rights, obligations and proceedings continue.

9. Public notice of name [A19]

Following the 2019 repeal of subsection (1), the company no longer gives the former incorporation notice under that subsection. Public notice of a name change remains due within 20 working days.

10. Direction to change name [A19]

Allows Registrar-directed name changes for non-compliance, confusion or bad faith. The 2019 amendment ties the three-month objection window to notices under sections 5(1)(d) and 9(2).

11. Change of name upon change of status of company [A25]

Automatically adjusts the name when private/listed status changes. The 2025 amendment extends the subsection (5) public-notice period to 20 working days.

12. Use of company name and company number

Requires company name and number on business/legal documents and at the registered office; failures can create offences and personal liability in specified transactions.

13. Contents of articles

Allows articles to regulate objects, shareholder rights and management, provided they do not conflict with the Act.

14. Application of model articles

Applies the First Schedule model articles to non-guarantee companies unless their adopted articles exclude or modify them.

15. Adoption or amendment of articles

Allows adoption or alteration of articles by special resolution; requires filing the resolution and relevant text within 10 working days.

16. Effect of articles

Makes the articles binding between company and shareholders as a statutory contract; amounts payable under them constitute debts.

17. Effect of statement of objects in articles

Treats stated objects as internal restrictions unless otherwise provided, but a breach does not by itself invalidate corporate capacity or an external transaction; internal remedies remain.

18. Right of shareholders to a copy of the articles

Entitles shareholders to request articles, generally within five working days, subject to the permitted fee and repeat-request exception.

19. Method of contracting [A25-S]

Prescribes execution methods for notarial, written and other contracts through authorised corporate signatories. The 2025 Schedule corrects a subsection (2) cross-reference.

20. Attorneys

Permits appointment of attorneys by properly executed instrument and binds the company to authorised acts, with powers-of-attorney law adapted to corporations.

21. Authority of directors, officers and agents

Protects persons dealing with the company against specified internal irregularities and apparent-authority defects, subject to the knowledge exceptions.

22. No constructive notice

Filing or availability for inspection does not alone give outsiders constructive notice of corporate documents; the charge-registration exception remains.

23. preincorporation contracts may be ratified

Allows ratification of pre-incorporation contracts within the contractual or a reasonable period, making the company bound as if originally a party.

24. Warranties implied in preincorporation contracts

Generally implies the promoter's warranties that incorporation and ratification will occur; provides damages and related relief if those warranties fail.

25. Failure to ratify

Allows the court to order return of property, validate an unratified pre-incorporation contract or grant other appropriate property-related relief.

26. Authentication of documents by company

Allows authentication of company documents or proceedings by a director, secretary or authorised officer.

Part II - Private companies

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

27. Articles of a private company

Requires private-company articles to prohibit public securities offers and limit shareholders to 50, excluding qualifying employees and former employees.

28. Company ceasing to be a private company [A25-S]

Provides for loss of private-company status when articles or conduct cease to meet section 27, with consequential name/rule changes and possible court relief.

29. Company may become a private company

A limited company becomes private when its articles are altered to meet section 27, with the corresponding deemed name change.

30. Private companies need not keep interests register

Permits private companies to dispense with an interests register by unanimous resolution; any shareholder may require its restoration.

31. Unanimous agreement of shareholders

Validates specified private-company actions agreed in writing by all shareholders and disapplies listed procedural provisions, while preserving the section's substantive safeguards.

Part III - Companies limited by guarantee

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

32. Application for incorporation of a company limited by guarantee

Requires at least two applicants for a guarantee company, with articles and initial director/secretary consents.

33. Company limited by guarantee must have articles

Requires guarantee-company articles to state objects and each member's liquidation contribution; selected model articles may be adopted.

34. Power to dispose with "limited" in the name of charitable and other companies

Allows qualifying non-profit guarantee associations to omit Limited under a Registrar's licence, subject to conditions, restrictions and possible revocation.

35. Provisions which apply to companies limited by guarantee

Applies the Act to guarantee companies with adaptations for members and excludes the provisions listed in the Third Schedule.

Part IV - Shares and debentures

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

36. Dating of prospectus

Requires a prospectus to be dated; that date is presumed to be its publication date unless proved otherwise.

37. Specific requirements as to particulars in prospectus [A25-S]

Requires prescribed prospectus information and reports under the Fourth Schedule and restricts waivers, subject to statutory exceptions and liability provisions.

38. Expert's consent to issue of prospectus containing statement by him

Requires an expert's unwithdrawn written consent before including the expert's statement in a prospectus, together with a statement of consent.

39. Consent of bank or attorney-at-law or auditor necessary for inclusion of name in prospectus

Requires relevant written consent before naming a bank, attorney-at-law or auditor in a prospectus; consent alone does not necessarily make that professional its issuer.

40. Registration of prospectus [A25-S]

Requires registration of a signed prospectus with prescribed declarations, consents and supporting documents before or on publication.

41. Civil liability for untrue in prospectus [A25-S]

Imposes compensation liability on specified persons for losses caused by untrue prospectus statements, subject to statutory defences and contribution rules.

42. Criminal liability for untrue statements in a prospectus

Criminalises authorisation of an untrue prospectus, subject to materiality and reasonable-belief defences; provides fine and imprisonment sanctions.

43. Document containing offer of shares or debentures for sale to be deemed a prospectus

Treats specified public resale offer documents as prospectuses so that disclosure and liability rules cannot be avoided through an intermediary allotment.

44. Interpretation of provisions relating to prospectuses [A25-S]

Explains misleading statements and incorporated reports for prospectus liability purposes.

45. Prohibition of allotment unless minimum subscription is received

Restricts public-offer allotment until minimum subscription and required application money are received; includes repayment and compliance safeguards.

46. Effect of irregular allotment

Makes non-compliant allotments voidable within the statutory period and exposes knowingly defaulting directors to compensation liability.

47. Applications for and allotment of shares and debentures

Controls opening subscription lists and allotment timing after publication of a prospectus, with related application protections.

48. Construction of reference to offering shares or debentures to the public

Defines public offers broadly, including selected sections of the public, while preserving specified private/domestic-concern exceptions.

49. Nature and types of shares

Treats shares as movable property with default voting, dividend and liquidation rights; permits different classes and prohibits nominal/par value.

50. Initial shares

Requires issue of initial shares immediately after incorporation and shares due under an amalgamation immediately after its certificate.

51. Issue of shares [A25]

Allows board-approved share issues subject to articles and statutory safeguards. The 2025 changes prohibit bearer shares/warrants and require recipients' names in issue particulars.

51A. Existing bearer shares and bearer share warrants [A25]

Inserted in 2025: existing bearer holders must identify themselves within 60 days of commencement; non-disclosure nullifies associated rights. The section also requires conversion into registrable shares.

52. Consideration for issue of shares [A25]

Requires fair and reasonable issue consideration. From the 2025 amendment, allot within 20 working days of receipt, except the specified proportionate reserve-funded issues.

53. Pre-emptive rights to new issues

Subject to articles, protects existing voting/distribution proportions by requiring offers of equal- or higher-ranking new shares to existing holders for a reasonable acceptance period.

54. Method of issuing shares

A share is issued when its holder is entered in the share register; an issue imposing liability requires the recipient's written consent.

55. Calls on shares

Requires notice of performed calls or share obligations and resulting stated capital to the Registrar within 10 working days.

56. Distributions

Requires board authorisation, normally shareholder approval, an auditors' solvency certificate and directors' certification before a distribution satisfying the solvency test.

57. Solvency test

Defines solvency through both ability to pay debts and assets exceeding liabilities plus stated capital; requires relevant financial statements and known circumstances to be considered.

58. Stated capital

Defines stated capital from share issues and calls, including board-valued non-cash consideration and relevant performed obligations.

59. Reduction of stated capital

Permits stated-capital reduction by special resolution with advance public notice; protects contractual creditor restrictions and requires prescribed notification.

60. Dividends

Defines dividends as distributions from profits and generally requires equal treatment within a share class, subject to specified exceptions.

61. Recovery of distributions [A25-S]

Allows recovery of insolvent distributions and relevant director liability, subject to recipient protections, causation and statutory relief.

62. Reduction of shareholder liability to be a distribution

Treats specified reductions of shareholders' liabilities, including in amalgamations, as distributions for recovery purposes.

63. Company may acquire or redeem its own shares

Limits company acquisitions/redemptions of its own shares to authorised routes; acquired or redeemed shares are cancelled and relevant notice is required.

64. Purchase of own shares [A25-S]

Regulates share buybacks authorised by articles, including board findings, auditors' fair-value assessment, disclosure and the applicable acquisition procedure.

65. Enforceability of contract to purchase shares

Makes buyback contracts specifically enforceable only to the extent consistent with solvency and regulates the unpaid seller's position in liquidation.

66. Meaning of "redeemable"

Defines redeemable shares and permissible redemption triggers and pricing mechanisms under the articles.

67. Redemption option of company [A25-S]

Company-option redemption requires a board finding that it serves the company's interests and attracts acquisition/distribution safeguards.

68. Redemption at the option of the shareholder

Holder-option redemption follows valid notice, cancels the share and makes the former holder an unsecured creditor; special distribution-recovery treatment applies.

69. Redemption on fixed date

Requires redemption on a fixed contractual date, cancellation and unsecured-creditor treatment for the redemption amount, with specified recovery rules.

70. Restrictions on giving financial assistance

Restricts financial assistance for acquiring the company's shares unless prescribed board, fairness, solvency and procedural safeguards are met.

71. Transactions not prohibited by section 70

Excludes specified good-faith incidental assistance and listed transactions from section 70, subject to their conditions.

72. Restriction on subsidiary holding shares in holding company

Generally prohibits a subsidiary acquiring its parent's shares and suspends votes on pre-existing holdings; trustee and security-related exceptions apply.

73. Transfer not to be registered except on production of instrument of transfer

Requires a proper transfer instrument before registering shares/debentures, without preventing transmission by operation of law.

74. Transfer by legal representative

Validates transfers by a deceased shareholder's legal representative even when that representative is not registered as shareholder.

75. Registration of transfer at the request of transferor

Allows a transferor to request registration of the transferee on the same conditions applicable to a transferee's request.

76. Notice of refusal to register transfer

Requires notice to the transferee within two months when registration of a transfer is refused.

77. Certification of transfers [A25-S]

Defines the limited representation made by certification of a transfer and imposes liability for negligent false certification.

78. Duties of company with respect to issue of certificates

Generally requires share/debenture certificates to be ready within two months of allotment or lodging a valid transfer, subject to the statutory and issue-term qualifications.

79. Certificate to be evidence of title

Makes the prescribed director-and-secretary signed share certificate prima facie evidence of the shareholder's title.

80. Evidence of grant of probate, &c

Requires acceptance of legally sufficient probate or administration evidence notwithstanding contrary articles.

81. Right of debenture holders and shareholders to inspect register of debenture holders and to have copies of any trust deed

Requires a debenture-holder register and provides inspection and copy rights, including rights relating to trust deeds.

82. Directors prohibited from acting as trustees

Disqualifies company directors from acting as debenture-holder trustees, subject to the historic appointment saving.

83. Perpetual debentures

Preserves debentures despite irredeemability, a remote redemption contingency or a very long redemption period.

84. Power to reissue redeemed debentures in certain cases [\[A25-S\]](#)

Permits reissue of redeemed debentures unless excluded or cancelled and regulates the rights, priority and related treatment of reissued instruments.

85. Specific performance of contracts to subscribe for debentures

Allows specific enforcement of a contract to subscribe and pay for company debentures.

Part V - Shareholders: rights and obligations

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

86. Meaning of "shareholder" [A25-S]

Defines shareholder status through registration and specified incorporation, amalgamation, transfer and trustee/depository situations.

87. Liability of shareholder

Protects shareholders from liability merely because of membership, while preserving article-based, contractual and other personal liabilities.

88. Liability for calls

Allocates calls and share obligations between current and former holders; unpaid original issue consideration generally remains with the original obligor.

89. Shareholders must agree to increase in liability

Requires written shareholder agreement before article changes or additional holdings increase that shareholder's liability to the company.

90. Exercise of powers reserved to shareholders

Requires reserved shareholder powers to be exercised at meetings or through valid written resolutions in lieu of meetings.

91. Exercise of powers by ordinary resolution

Makes an ordinary resolution the default means of exercising shareholder powers unless the Act or articles require otherwise.

92. Powers exercised by special resolution [A25-S]

Reserves specified fundamental matters for special resolutions and regulates rescission of those resolutions.

93. Shareholder may require company to purchase shares

Gives qualifying dissenting shareholders buyout rights for specified changes to objects, major transactions and amalgamations.

94. Notice requiring purchase

Requires a buyout demand within 10 working days of the relevant resolution/notice; the board has 20 working days to choose a statutory response.

95. Purchase by company [A25-S]

Sets the company buyout price-notice, objection, valuation, payment and dispute procedures for dissenting shareholders.

96. Purchase of shares by third party

Adapts the buyout procedure to a third-party purchaser and requires the company to indemnify the holder against specified purchaser default.

97. Court may grant exemption

Allows court exemption from a disproportionately damaging or unreasonably financed buyout, with protective alternative orders.

98. Court may grant exemption if company is insolvent [A25-S]

Requires an exemption application where the buyout would fail solvency and a reasonable third-party solution cannot be found; the court may grant tailored relief.

99. Alteration of shareholder rights

Requires special approval by each affected interest group before altering rights attached to shares, including specified procedural rights.

100. Shareholder may require company to purchase shares

Gives qualifying dissenters a buyout right when an interest group approves changes to attached share rights.

101. Action not invalid

Failure to obtain section 99 approval does not, by itself, invalidate the company's action; other remedies remain relevant.

Part VI - Registration of charges

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

102. Registration of charges created by companies registered in Sri Lanka [A25-S]

Requires registration of specified company charges, certified instruments and particulars within the applicable statutory periods; special rules address series and foreign-created security.

103. Unregistered charges void in certain cases

Makes unregistered registrable security void against the liquidator and creditors, while preserving repayment obligations and accelerating the secured money.

104. Duty of company to register charges existing on property acquired

Requires registration of registrable charges on acquired property, generally within 21 working days, with a three-month rule for the specified foreign situation.

105. Register of charges to be kept by Registrar

Requires the Registrar's charge register and registration certificate; governs registration particulars, inspection and the legal effect of registered information.

106. Endorsement of certificate of registration on debentures

Requires relevant registration certificates to be endorsed on secured debentures issued after the charge and penalises knowing non-compliance.

107. Entries of satisfaction and release

Allows the Registrar to record full/partial satisfaction or release of registered security on satisfactory evidence.

108. Rectification of register of charges

Allows court extension or correction of charge registration for qualifying omission or error on just terms protecting affected interests.

109. Copies of instruments creating charges to be kept by company

Requires the company to retain instruments creating registrable charges at the statutory records location.

110. Company's register of charges

Requires a limited company's own register of specific and floating charges, with property, amount and creditor particulars; knowing omissions are punishable.

111. Review of Register of charges [A25-S]

Allows the Registrar to require charge particulars, instruments, certificates and verification within 15 working days for a register review.

112. Application of this Part to charges and property to be acquired by an overseas company

Applies charge-registration rules to overseas companies' charges over, or acquisition of charged, Sri Lankan property.

Part VII - Management and administration

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

113. Registered office of a company

Requires a registered office in Sri Lanka for communications and notices, with an adequate description where hosted at another professional's office.

114. Change of registered office

Allows board-approved registered-office changes; the change takes effect five working days after Registrar receipt of notice or on a specified later date.

115. Requirement to change registered office

Allows the Registrar to direct an office change with reasons, a minimum notice period and an appeal right.

116. Location of company records [A25-S]

Specifies corporate records to retain at the registered office or properly notified alternative location, including ten-year categories of minutes, certificates and financial records.

117. Form of records

Permits written or readily accessible and reproducible records, with safeguards against falsification and for detecting it.

118. Inspection of records by directors

Gives directors free inspection rights on reasonable notice, subject to court restrictions for improper purpose or company interests.

119. Inspection of company records by shareholders [A25-S]

Gives shareholders and authorised representatives inspection rights over specified additional records, including minutes, communications and certificates.

120. Public inspection of company records

Makes specified constitutional, registration, share, director and security records available for public inspection on written notice.

121. Manner of inspection

Sets the place, working-day hours and statutory inspection period; supplying a free certified copy can satisfy the requirement.

122. Copies of documents

Requires copies/extracts of inspectable documents within five working days of written request and payment of a reasonable fee.

123. Company to maintain share register

Requires a share register recording holders, classes and transactions, including the prescribed ten-year historical particulars.

124. Place of share register

Allows divided share registers if articles permit, but requires a Sri Lankan principal register, copies, matching entries and location notices.

125. Stamp duties in case of shares registered in a register outside Sri Lanka

Treats transfers of shares on an overseas register as foreign property transfers and exempts them from Sri Lankan stamp duty unless executed locally, as specified.

126. Index of shareholders

Requires an index for companies with more than 50 shareholders unless the register itself serves as an index; keep it updated within 10 working days.

127. Power to close register [A25-S]

Allows closure of the share register after prescribed publicity, for no more than 30 working days in total each year.

128. Power of court to rectify register

Allows court correction of improper entries, omissions or delays in the share register and associated damages and consequential orders.

129. Trusts not to be entered on share register [A25-S]

Generally excludes trust notices from the share register, with a specified approved central-depository exception. Separate beneficial ownership disclosure duties now apply.

Share register: concluding provision**130. Share register to be evidence**

Makes the share register prima facie evidence of title and generally permits the company to recognise the registered holder for share rights.

Beneficial ownership - inserted sections**130A. Beneficial ownership information and registers [A25]**

Inserted in 2025: establishes BO disclosure, registers and annual/event reporting. Key periods are shareholder supply within 10 working days, share-event filing within 20 and ownership-change notice within 14 after receipt; records generally last 10 years.

130B. Information for authorities [A25]

Requires BO details to be supplied on request to specified law-enforcement, tax, customs, procurement, financial-intelligence and regulatory authorities.

130C. Authorised person [A25]

Requires a Sri Lanka-resident natural person to safeguard and make available BO records; disclose appointment/changes and observe the three-month existing-company transition.

130D. Public access to beneficial ownership information [A25]

Requires public access to specified BO fields and permits authenticated copies for a fee; further information is subject to the Right to Information route.

130E. Registrar directives [A25]

Requires a written Registrar directive allowing seven working days to remedy specified BO-register or timing failures.

130F. Recognition of beneficial ownership claims [A25]

Denies lawful recognition of a beneficial ownership claim unless disclosed and registered in the prescribed manner.

130G. Offences [A25]

Creates BO reporting, concealment and false-information offences; provides up to Rs. 1 million and/or ten years' imprisonment for liable persons, with specified officer liability and due-diligence/knowledge defences.

130H. Existing-company transitional requirements [A25]

Provides transitional existing-company BO submission within six months and separate 30-day verification/reporting duties. Its own offence provision differs from section 130G; see the current-regulations appendix.

130I. Regulations [A25]

Authorises regulations on BO registers, acquisition reporting and obtaining BO particulars.

130J. Interpretation [A25]

Defines beneficial owners as natural persons ultimately owning/controlling at least 10% or exercising effective control otherwise, including through chains, director appointments or strategic decisions.

131. Annual return

Requires annual returns, completed within 30 working days after the AGM and forwarded forthwith, signed by a director and secretary; excludes the incorporation year.

132. Declaration and certificate to be sent by private company with annual return [A14]

Replaced in 2014: requires private-company compliance declarations, specified certificates including the stated Inland Revenue certificate, and notice of winding-up/status or similar changes. Legacy tax-law references require current-law and filing-practice verification.

133. Annual general meeting

Normally requires an AGM each calendar year within six months of balance sheet date and 15 months of the preceding AGM; first AGM within 18 months, subject to statutory alternatives.

134. Convening of extraordinary general meeting on requisition

Allows holders of at least 10% of voting rights to requisition an extraordinary meeting; directors must convene within 15 working days and hold it within 30, with default remedies.

135. Length of notice for calling meetings

Sets minimum meeting notices, generally 15 working days for AGMs, and differentiated periods for other meetings; shorter-notice consents and special-resolution rules must be considered.

136. Provisions as to meetings and votes

Supplies default notice, meeting-call, quorum, chair and voting rules where the articles do not provide otherwise.

137. Power of court to order meeting

Allows court-ordered meetings and directions where normal calling or conduct is impracticable.

138. Representation of companies at meetings of other companies and of creditors

Allows corporate shareholders and creditors to appoint representatives by governing-body resolution to act at relevant meetings.

139. Proxies

Entitles shareholders to appoint proxies with voting and speaking rights and regulates appointment, notice and related special cases.

140. Right to demand a poll

Protects qualifying shareholders' right to demand a poll and prevents articles from defeating the statutory entitlement.

141. Voting on a poll

Allows a shareholder with multiple votes to split those votes on a poll.

142. Circulation of shareholder's resolutions on requisition [A25-S]

Requires circulation of qualifying shareholders' proposed resolutions/statements, subject to thresholds, costs, timing and safeguards against abuse.

143. Special resolutions

Defines special resolutions through the 75% voting threshold and prescribed notice, with the qualifying shorter-notice agreement mechanism.

144. Resolution in lieu of meeting

Allows written resolutions with both the prescribed 85% shareholder-number and voting-right thresholds, subject to articles and notice/record requirements.

145. Resolutions requiring special notice

Sets special-notice procedures: generally 28 days' notice to the company and prescribed shareholder notification, with the statutory meeting-timing qualification.

146. Resolutions passed at adjourned meetings

Treats an adjourned-meeting resolution as passed on its actual passing date, not an earlier meeting date.

147. Minutes of proceedings of meetings of shareholders and directors

Requires minutes of shareholder and board proceedings, gives signed minutes evidential effect and protects relevant directors' access rights.

148. Duty to keep accounting records

Requires adequate transaction, asset, liability, goods/services and stock accounting records sufficient for reliable statements and audit.

149. Place where accounting records are kept

Generally requires accounting records in Sri Lanka; overseas retention requires Registrar permission and specified local accounts/returns and notice.

150. Obligation to prepare financial statements

Requires compliant financial statements within six months of balance sheet date or approved extension, preparer certification and board signatures.

151. Contents and form of financial statements

Requires financial statements to present a true and fair view and comply with applicable form/content regulations and other law.

152. Obligation to prepare group financial statements [A25-S]

Requires parent-company group financial statements within section 150's timetable, with certification/signatures and specified exemptions.

153. Contents and form of group financial statements

Prescribes true-and-fair group reporting and treatment of subsidiaries, subject to statutory exceptions and other applicable law.

154. Appointment of auditor

Provides for AGM appointment of auditors, casual vacancies and Registrar intervention where the statutory appointment fails.

155. Auditor's fees and expenses

Allocates authority to determine auditor fees and expenses according to whether shareholders, directors or the Registrar appointed the auditor.

156. Appointment of partnership as auditor

Permits appointment of a qualifying audit partnership in its firm name, treated as appointment of its partners from time to time.

157. Qualifications of auditors

Sets auditor qualifications and disqualifications; registered-auditor eligibility is restricted, while specified companies require CA Sri Lanka membership.

158. Automatic reappointment

Provides automatic auditor reappointment unless disqualified, replaced by resolution or unwilling, with the stated exception for failed replacement proposals.

159. Appointment of first auditor

Provides first-auditor appointment by the board or company; a unanimous waiver lasts only until the first AGM.

160. Replacement of auditor

Requires at least 20 working days' notice to a replaceable auditor and a reasonable opportunity to address shareholders, with reasonable fees/expenses.

161. Statement by person ceasing to hold office as auditor

Requires an outgoing auditor's statement of relevant circumstances, or that none exist, and governs delivery and shareholder/Registrar communication.

162. Auditor to avoid conflict of interest

Requires auditors to avoid relationships or interests impairing their independent judgment.

163. Auditor's report

Prescribes the auditor's report to shareholders, including scope, information, accounting-record and true-and-fair-view conclusions and required qualifications.

164. Auditor's access to information

Entitles auditors to access records and require necessary explanations; penalises obstruction and false information.

165. Auditor's attendance at shareholders' meeting

Entitles auditors to meeting notices, attendance and a hearing on matters concerning their audit role.

166. Obligation to prepare annual report

Requires the board's annual report within six months after balance sheet date.

167. Sending of annual report to shareholders [A25-S]

Requires circulation of the annual report at least 15 working days before the AGM; prescribed summarised financial statements may be used subject to full-statement rights.

168. Contents of annual report [A25-S]

Specifies annual-report disclosures, including business changes, financial statements, audit and director-related information, with the stated statutory qualifications.

169. Failure to send reports &

An accidental failure to send a report, notice or other document does not invalidate meeting proceedings, subject to the articles.

170. Registration of financial statements

Requires non-private companies to register statements and audit reports within the statutory 20-working-day period; the Registrar may require equivalent filings from a private company.

171. Balance sheet date

Regulates annual balance sheet dates, first accounting periods, changes and Registrar approvals, including the specified 15-month limits.

172. Investigation of company's affairs on application of shareholders

Allows Registrar-appointed investigations on qualifying company/shareholder applications, subject to evidence, thresholds and security for costs.

173. Investigation of company's affairs in other cases

Requires investigation on a court order and permits it where specified fraud, misconduct, oppression or information concerns appear.

174. Power of inspectors to carry out investigation into affairs of related companies

Allows an inspector to investigate related companies where necessary, with prior written Registrar approval.

175. Production of documents and evidence at investigation [A25-S]

Compels relevant officers and agents to produce records, attend and assist investigations; provides examination and enforcement powers.

176. Inspector's report

Requires final and, when directed, interim inspector reports and governs their circulation, supply and publication.

177. Proceedings on inspector's report

Provides for criminal referrals and other proceedings following investigation findings, including appropriate company-related relief.

178. Expenses of investigation of company's affairs

Allocates investigation costs initially to the Registrar, with recovery from specified persons and companies in the stated circumstances.

179. Inspector's report to be evidence

Makes an inspector's report admissible as evidence of the inspector's opinion in legal proceedings.

180. Appointment and powers of inspectors to investigate ownership of company [A25-S]

Allows investigations into the true persons financially interested in, controlling or materially influencing a company.

181. Power to require information as to persons interested in shares or debentures

Allows the Registrar to demand information on present/past interests in shares or debentures without appointing an inspector.

182. Power to impose restrictions on shares or debentures [A25-S]

Allows restrictions on shares/debentures where non-cooperation obstructs ownership enquiries, with consequential transfer, voting and payment restrictions and relief procedures.

183. Registrar's powers to verify assets and liabilities

Empowers the Registrar to verify a company's assets and liabilities.

184. Management of company

Places management under the board's direction or supervision and gives it necessary management powers, subject to articles.

185. Major transactions [A25-S]

Restricts major transactions unless approved through a permitted route, generally special resolution; defines asset/material-business thresholds and relevant exceptions.

186. Delegation of powers

Allows delegation except for Sixth Schedule powers and preserves board responsibility where statutory supervision/reliance conditions are not met.

187. Duty of directors to act in good faith and in the interests of company

Requires good faith and belief in the company's interests; a wholly owned subsidiary's articles may permit action in its parent's interests.

188. Directors to comply with Act and company's articles

Prohibits directors from acting, or agreeing to company action, contrary to the Act or articles.

189. Directors standard of care

Prohibits reckless or grossly negligent conduct and requires skill and care reasonably expected from the director's knowledge and experience.

190. Use of information and advice

Allows qualified reliance on employees, experts and other directors/committees, subject to good faith, proper inquiry and absence of contrary knowledge.

191. Meaning of "interested"

Defines when a director is interested in a transaction through personal, financial, office-holding and specified connected interests, with exclusions.

192. Disclosure of interest

Requires prompt disclosure of a director's transaction interest to the board and interests register; permits qualifying general notices.

193. Avoidance of transaction

Allows avoidance of an interested-director transaction within the statutory disclosure-based window, unless fair value was received, with evidential rules.

194. Effect on third parties

Protects good-faith third-party purchasers for value from the consequences of avoidance under section 193.

195. Non- application of sections 192 and 193 in certain cases

Excludes properly authorised director remuneration and indemnity/insurance arrangements from sections 192 and 193.

196. Interested director may vote

Subject to articles, permits interested directors to vote, count in quorum, sign and otherwise act concerning the transaction.

197. Use of company information

Restricts directors' use and disclosure of confidential company information except for permitted purposes or properly authorised use.

198. Meaning of "relevant interest"

Defines a director's relevant share interest broadly through beneficial ownership, voting and acquisition/disposal powers and related arrangements.

199. Relevant interests to be disregarded in certain cases

Excludes specified security, agency and other limited interests from share-dealing disclosure calculations.

200. Disclosure of share dealing by directors

Requires prompt board/register disclosure of directors' relevant share interests and acquisitions/disposals, with prescribed particulars.

201. Number of directors

Requires at least one director, and at least two for a public company.

202. Qualification of directors

Sets director eligibility and disqualifies specified minors, insolvents, prohibited persons and other ineligible appointees.

203. Director's consent required

Requires prescribed written consent and confirmation of non-disqualification before appointment as director.

204. Appointment of first and subsequent directors

Provides for first directors under incorporation/amalgamation documents; subsequent appointments are ordinarily by ordinary resolution unless articles provide otherwise.

205. Appointment of directors to be voted on individually

Generally requires individual director-appointment votes in non-private companies unless the prescribed prior unanimous procedural consent is obtained, subject to articles.

206. Removal of directors [A25]

Subject to articles, permits removal by ordinary resolution. The 2025 replacement procedure provides special notice for removal/replacement, a hearing and 14-working-day written representations, with circulation and court safeguards.

207. Director ceasing to hold office

Lists events ending directorship and regulates written resignation, subject to the sole-director restriction.

208. Resignation of last remaining director

Prevents a sole director's resignation taking effect before a called shareholder meeting can receive notice and appoint a replacement.

209. Validity of director's acts

Preserves the validity of a director's acts despite defective appointment or lack of qualification.

210. Age limit for directors

Applies a retirement age of 70 to public-company directors and directors of their private subsidiaries, subject to section 211.

211. Age limit not to apply if company so resolves [A25]

Allows shareholder resolution overriding the age limit. As amended in 2025, the approval lasts until the next AGM, subject to section 133(1)(b).

212. Duty of directors to disclose age

Requires disclosure of age when appointed/proposed after reaching the applicable limit, with a repeat-notification exception.

213. Persons prohibited from managing companies

Prohibits specified convicted, insolvent or otherwise disqualified persons from management for the statutory period unless court leave is obtained.

214. Court may disqualify directors

Allows court disqualification for persistent non-compliance, specified convictions, unfitness in insolvency and other listed circumstances.

215. Proceedings of board

Makes the articles the governing rules for board proceedings.

216. Remuneration and other benefits

Allows authorised and fair director remuneration, benefits and loss-of-office payments, with recording/certification and potential recovery safeguards.

217. Restrictions on loans to directors

Restricts director and related-company-director loans, guarantees and security, subject to section 31 and specified statutory exceptions.

218. Indemnity and insurance

Restricts director/employee indemnities and insurance to permitted categories, subject to articles, approvals, exclusions and recording requirements.

219. Duty of directors on insolvency

Requires a director suspecting inability to pay debts to call a board meeting promptly; provides potential personal liability where statutory duties are breached before liquidation.

220. Duty of directors on serious loss of capital [A25-S]

When net assets fall below half stated capital, requires the board to call an EGM within 20 working days, held within 40 working days of calling, with explanatory information.

221. Secretary

Requires every company to have a consenting, appropriately qualified secretary and regulates appointment and performance of the office.

222. Qualifications of secretary to be prescribed

Enables prescribed secretary qualifications for companies meeting the relevant turnover or stated-capital thresholds.

223. Register of directors and secretaries

Requires a register of directors/secretaries and notification of appointments, cessations and particulars changes in the prescribed manner and time.

224. Oppression

Allows qualifying shareholders to seek court relief from oppressive conduct of company affairs.

225. Mismanagement

Allows qualifying shareholders to seek relief for prejudicial management or control changes threatening the company's interests.

226. Who may make an application

Sets standing for oppression/mismanagement applications, including the 5% membership or voting-right threshold within the preceding six months and representation rules.

227. Power of court to act under section 224 or section 225 during winding up proceedings

Allows oppression/mismanagement relief during winding-up proceedings where winding up would prejudice shareholders.

228. Powers of court on application under section 224 or section 225 [A25-S]

Lists broad remedial orders, including regulation of affairs, share purchases and termination or modification of agreements.

229. Effect of alteration of articles of company by order under section 224 or 225

Gives court-ordered article changes binding effect and restricts inconsistent further alterations without leave.

230. Addition of respondents to application under section 224 or section 225

Allows sufficiently interested directors, managers, secretaries or others to be joined as respondents in oppression/mismanagement proceedings.

231. Consequences of termination or modification of certain agreements

Regulates compensation and future appointment consequences when specified agreements are terminated or modified by court order.

232. Extended meaning of "shareholder"

Extends protected shareholder status to specified successors, personal representatives and recent former shareholders.

233. Restraining orders

Allows preventive injunctions against proposed breaches of the Act/articles, with ancillary relief; it does not restrain already completed conduct.

234. Derivative actions

Allows shareholders/directors to seek court leave for proceedings in the company's or subsidiary's name, subject to statutory criteria and notice.

235. Costs of derivative action to be met by company

Allows the court to make the company meet reasonable costs of an authorised derivative action.

236. Powers of court where leave is granted

Allows court directions on control, assistance and conduct of derivative proceedings after leave is granted.

237. Compromise, settlement or continuance of derivative action

Requires court approval before settling, compromising or discontinuing an authorised derivative action.

238. Ratification of certain actions of directors

Allows proper ratification of powers purportedly exercised by directors, while preserving relevant court powers despite that ratification.

Part VIII - Amalgamations

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

239. Amalgamations

Permits two or more companies to amalgamate into an existing or new company, subject to public notice and the statutory procedure.

240. Amalgamation proposal

Requires an amalgamation proposal specifying the resulting company, governance, share structure, conversion terms and other arrangements.

241. Approval of amalgamation proposal [A25-S]

Requires board findings on best interests and solvency, directors' certificates, disclosure to shareholders and the prescribed approvals and notices.

242. Short form amalgamation [A25-S]

Provides a simplified board-approved amalgamation process for qualifying wholly owned group companies, with solvency safeguards.

243. Registration of amalgamation proposal

Lists the proposal, certificates and consents to be filed with the Registrar to effect an amalgamation.

244. Certificate of amalgamation

Requires the Registrar to issue the appropriate amalgamation and, where necessary, incorporation certificates; accommodates a specified effective date.

245. Effect of certificate of amalgamation [A25-S]

Transfers property, rights, liabilities and proceedings to the amalgamated company and removes the other amalgamating companies from the register.

246. Power to acquire shares of shareholders dissenting from scheme or contract approved by majority [A25-S]

Permits a purchaser attaining 90% of voting rights under an offer to acquire remaining voting shares, subject to notice, timing and court protection for dissenters.

Part IX - Compromises with creditors

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

247. Interpretation

Defines compromise, creditor and proponent for the creditor-compromise procedure.

248. Compromise proposal [A25-S]

Identifies who may propose a compromise where the company is or is likely to become unable to pay debts; creditors and shareholders require court leave.

249. Notice of proposed compromise [A25-S]

Requires creditor classification, voting information, notice and an explanation of the proposed compromise and its effects.

250. Effect of compromise

Makes a duly approved compromise binding on the company and affected notified creditors or classes; regulates notification of the result.

251. Variation of compromise

Allows a compromise to be varied under its own variation procedure or through a fresh statutory approval process.

252. Powers of court

Allows court directions, procedural relief and temporary protection against enforcement, and provides remedies concerning approval and unfair prejudice.

253. Effect of compromise in liquidation of a company

Allows the court to determine how an approved compromise operates if the company enters liquidation.

254. Costs of compromise

Normally places meeting and organisation costs on the company and determines their treatment in insolvency proceedings.

Part X - Court-approved arrangements

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

255. Interpretation

Defines arrangements, companies and creditors for court-approved reorganisations, including registered overseas companies.

256. Court approval of arrangements, amalgamation and compromises

Empowers the court to approve an arrangement, amalgamation or compromise and prescribe meetings, notice and other preliminary requirements.

257. Court may make additional orders

Allows supporting orders for transfers, securities, proceedings, dissolution and other matters needed to implement the approved transaction.

258. Application of Part VIII

Restricts use of court approval where the transaction can reasonably practicably be effected through other applicable statutory procedures.

259. Application of section 253 to compromise approved under this Part

Applies section 253's rules on a compromise's effect in liquidation to court-approved compromises.

Part XI - Offshore companies

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

260. Interpretation

Extends the offshore-company provisions to bodies incorporated under foreign laws.

261. Company incorporated for business outside Sri Lanka

Provides the application and supporting-document requirements for registration as an offshore company.

262. Grant of certificate of registration to off-shore company

Allows offshore registration subject to the national-interest assessment, fees, bank evidence and statutory conditions.

263. Continuation of business of offshore company

Requires annual offshore fees and evidence of funds to meet Sri Lankan office expenses, normally by 31 January.

264. Prohibition on carrying on business in Sri Lanka

Permits offshore business outside Sri Lanka but prohibits business within Sri Lanka, while preserving applicable statutory benefits.

265. Cessation of business as an off-shore company

Allows offshore status to cease by prescribed notice to the Registrar.

Part XII - Winding up

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

266. Definition of contributory

Defines contributories to include shareholders and others liable, or alleged to be liable, to contribute in winding up.

267. Modes of winding up

Recognises winding up by the court, voluntarily or under court supervision; general winding-up rules apply unless excluded.

268. Power of liquidator to enforce liability of share holders and former shareholders

Allows the liquidator to make written calls on shares and enforce shareholders' or former shareholders' liabilities.

269. Liability of former shareholders for unpaid calls

Provides limited recourse against former holders for unpaid share amounts, subject to the statutory one-year periods and safeguards.

270. Circumstance in which a company may be wound up by the court [A25]

Sets court winding-up grounds, including special resolution, business inactivity, absence of directors, inability to pay debts and just-and-equitable grounds. The minimum-members ground was repealed in 2025.

271. Definition of inability to pay debts

Defines inability to pay debts, including an unpaid demand exceeding Rs. 50,000 after three weeks, unsatisfied execution and demonstrated insolvency.

272. Application for winding up [A25]

Identifies persons entitled to petition and conditions for contributories and prospective or contingent creditors. The minimum-members petition limb was repealed in 2025.

273. Powers of court on hearing petition [A25-S]

Allows dismissal, adjournment and interim or final orders on a petition; addresses alternative relief on just-and-equitable petitions.

274. Power to stay or restrain proceedings against a company [A25-S]

Allows court proceedings against a company to be stayed or restrained between presentation of the petition and the winding-up order.

275. Avoidance of disposition of property &c. after commencement of winding-up

Generally invalidates property dispositions, share transfers and changes in membership status after commencement of court winding up, unless the court orders otherwise.

276. Avoidance of attachments &c

Generally invalidates post-petition attachments and execution, while preserving the stated exception for a creditor entitled to a charge.

277. Commencement of winding up by the court

Fixes commencement at the earlier voluntary resolution where applicable, otherwise at presentation of the court petition.

278. Copy of order to be forwarded to Registrar

Requires a copy of the winding-up order to be promptly sent to the Registrar for recording.

279. Actions stayed on winding up

Requires court leave for proceedings after a winding-up order or provisional-liquidator appointment, subject to the secured-creditor exception.

280. Effect of winding up order

Makes the winding-up order operate for the benefit of all creditors and contributories.

281. Official receiver

Identifies the official receiver for court winding up and permits ministerial appointment where needed.

282. Appointment of official receiver by court in certain cases

Allows the court to appoint another officer as official receiver for more convenient and economical administration.

283. Statement of company's affairs to be submitted to official receiver [A25-S]

Requires a verified statement of affairs detailing assets, liabilities, creditors and security, subject to the court's directions.

284. Report by official receiver [A25-S]

Requires the official receiver to report on capital, assets, liabilities, failure and matters needing investigation; permits further reports.

285. Power of court to appoint liquidators

Empowers the court to appoint liquidators to conduct the winding up and perform assigned duties.

286. Appointment and powers of provisional liquidator

Allows appointment of a provisional liquidator after petition and before the winding-up order, with powers limited by the court.

287. Appointment style, &c. of liquidators [A25-S]

Makes the official receiver provisional liquidator initially and regulates creditor and contributory involvement in appointing the liquidator.

288. Provisions where person other than official receiver is appointed a liquidator

Requires an outside liquidator to complete notification and security requirements and assist the official receiver.

289. General provisions as to liquidators

Regulates resignation, removal, remuneration, vacancies and the operation of multiple court-appointed liquidators.

290. Custody of company's property [A25-S]

Requires the liquidator or provisional liquidator to take custody or control of company property and claims.

291. Vesting of property of company in liquidator

Allows court vesting of company property in the liquidator and related proceedings in the liquidator's official name.

292. Powers of liquidator [A25-S]

Lists liquidator powers, separating actions requiring court or committee sanction from powers exercisable without it.

293. Exercise and control of liquidator's powers

Subjects the liquidator to creditor, contributory and court oversight, with procedures for meetings, directions and challenges.

294. Books to be kept by liquidators

Requires proper liquidation books and meeting minutes and permits creditor and contributory inspection under court control.

295. Payments by liquidator into bank

Requires liquidation receipts to be banked with licensed commercial banks and prohibits use of the liquidator's private account.

296. Audit of liquidator's accounts [A25-S]

Requires certified receipts-and-payments accounts at least twice yearly, Registrar-arranged audit and access to the audited accounts.

297. Control of Registrar over liquidator

Gives the Registrar supervisory and inquiry powers over liquidators, including investigation of complaints and reporting to court.

298. Release of liquidators [A25-S]

Provides court release of a liquidator after reporting and consideration of objections, subject to statutory consequences and exceptions.

299. Meetings of creditors and contributories to determine whether committee of inspections shall be appointed [A25-S]

Requires creditor and contributory meetings to consider an inspection committee; the court resolves differences and appoints as appropriate.

300. Constitution and proceedings of committee of inspection

Regulates inspection-committee membership, meetings, quorum, resignations, vacancies and continued operation.

301. Powers of court where there is no committee of inspection

Allows the court to perform the inspection committee's functions where no committee exists.

302. Power to stay winding up

Allows a complete or temporary stay of winding-up proceedings on terms and requires the order to be recorded by the Registrar.

303. Settlement of list of contributories and application of assets

Requires settlement of contributories and collection and application of assets, with power to rectify the register and dispense with an unnecessary list.

304. Delivery of property to liquidator

Allows the court to order contributories and persons holding company assets or records to deliver them to the liquidator.

305. Payment of debts due by contributory to company and extent to which set off is allowed

Allows recovery of debts from contributories and sets limited rights of set-off, including rules for unlimited companies.

306. Payment into bank of moneys due to company

Allows court-directed payments into the liquidator's bank account and subjects deposited money and securities to court orders.

307. Appointment of special manager

Allows appointment of a special manager where the estate, business or stakeholder interests require one, with security and accounting obligations.

308. Inspection of books by creditors and contributories

Allows court-ordered inspection of company books and papers by creditors and contributories.

309. Power to order costs of winding up to be paid out of assets

Allows the court to determine priority of winding-up costs and expenses where assets are insufficient.

310. Power to summon persons suspected of having property of company

Allows examination of officers and others possessing company property or relevant information, and production of documents.

311. Power to order public examination of promoters, directors &c

Allows public examination of persons implicated by an official receiver's fraud report concerning formation or company conduct.

312. Person or officer being examined to be represented by an attorney-at-law, &c,

Provides protections and representation for persons publicly examined, and regulates the examination record and related costs.

313. Power to arrest absconding contributory

Allows arrest and seizure safeguards where a contributory is reasonably suspected of absconding or concealing assets to evade obligations or examination.

314. Powers of court cumulative

Makes statutory court powers additional to existing recovery powers against contributories and debtors.

315. Delegation to liquidator of certain powers of court

Allows rules delegating specified court functions to the liquidator, subject to court control and express limits.

316. Dissolution of a company

Provides court dissolution after completion of winding up; the liquidator must send the order to the Registrar within 15 days.

317. Manner of enforcing order of court

Allows enforcement of orders under the Act in the same manner as court decrees.

318. Enforcement of winding up order in another court

Allows another court to enforce an order on production of a certified copy.

319. Circumstances in which a company may be wound up voluntarily

Sets the resolutions and circumstances permitting voluntary winding up, including expiry of duration and inability to continue because of liabilities.

320. Notice of resolution to wind up voluntarily

Requires Gazette publication of a voluntary winding-up resolution within 14 days and imposes default penalties.

321. Commencement of voluntary winding up

Fixes commencement of voluntary winding up at the passing of the resolution.

322. Effect of voluntary winding up on business and status of company

Restricts business to what is needed for beneficial winding up while preserving corporate existence and powers until dissolution.

323. Avoidance of transfers, &c., after commencement of voluntary

Invalidates unauthorised share transfers and changes in shareholder status after commencement of voluntary winding up.

324. Statutory declaration of solvency in case of proposal to wind up voluntarily [A25-S]

Provides the directors' solvency declaration, based on full inquiry and payment of debts within no more than 12 months, with timing and filing safeguards.

325. Provisions relating to a shareholders' voluntary winding up

Identifies the provisions governing a shareholders' voluntary winding up.

326. Power of company to appoint and fix remuneration of liquidators [A25-S]

Requires the company to appoint liquidators and permits remuneration to be fixed; directors' powers cease except where their continuation is sanctioned.

327. Power to fill vacancy in office of liquidator

Allows the company to fill a liquidator vacancy, subject to creditor arrangements and meeting requirements.

328. Power of liquidator to accept shares &c. in consideration for sale of property of company [A25-S]

Allows a sanctioned reconstruction through transfer of business or property for shares or similar interests, subject to dissenting-shareholder protections.

329. Duty of liquidators to call creditors' meeting in case of insolvency

Requires the liquidator to call creditors promptly if debts cannot be paid within the period stated in the solvency declaration.

330. Duty of liquidator to call general meeting at end of each year

Requires annual company meetings and an account of the winding up where a shareholders' winding up continues beyond one year.

331. Final meeting and dissolution

Requires a final account, advertised meeting and filing, leading to dissolution under the statutory procedure.

332. Alternative provision as to annual and final meetings in case of insolvency

Substitutes creditor-winding-up annual and final meeting procedures where a shareholders' liquidation proves insolvent.

333. Provisions applicable to a creditors' winding up

Identifies the provisions governing a creditors' voluntary winding up.

334. Meeting of creditors

Requires a creditors' meeting alongside the proposed voluntary winding-up resolution, public notice and a directors' statement of affairs.

335. Appointment of liquidator

Provides for nomination of the liquidator by creditors and the company; the creditors' nominee normally prevails, subject to court application.

336. Appointment of committee of inspection

Allows an inspection committee with creditor and company nominees and addresses creditor objections to company nominees.

337. Fixing of liquidators' remuneration and ceasing of directors' powers

Places remuneration with the committee or creditors and ends directors' powers except to the extent continuation is sanctioned.

338. Power to fill vacancy in office of liquidator

Allows creditors to fill an eligible vacancy in the liquidator's office.

339. Application of section 328 to a creditors' voluntary winding up

Applies reconstruction powers under section 328 to creditor liquidations, requiring court or inspection-committee sanction.

340. Duty of liquidator to call meetings of company and of creditors at end of each year

Requires annual company and creditor meetings and an account of progress where winding up continues beyond one year.

341. Final meeting and dissolution [A25]

Requires final company and creditor meetings and dissolution filings. The 2025 replacement of subsection (3) requires the account and return within one week of the meeting, or later meeting; default fine may reach Rs. 50,000.

342. Provisions applicable to every voluntary winding up

Identifies provisions common to shareholders' and creditors' voluntary winding up.

343. Distribution of property of company

Requires assets to meet liabilities equally subject to statutory preferences, with any surplus distributed according to shareholder rights and the articles.

344. Powers and duties of liquidator in voluntary winding up

Sets voluntary liquidators' powers and duties, including applicable sanctions, contributory lists and collection and distribution of assets.

345. Power of court to appoint and remove liquidator in voluntary winding up

Allows the court to appoint a liquidator where none acts and to remove and replace a liquidator for cause.

346. Notice by liquidator of his appointment

Requires Gazette publication and Registrar filing of a liquidator's appointment within 14 days.

347. Arrangement when binding on creditors

Makes a qualifying arrangement binding with a special resolution and creditor approval by three-fourths in number and value, subject to court appeal within three weeks.

348. Power to apply to court to have question determined or powers exercised

Allows the liquidator, a creditor or contributory to seek court determination of questions and exercise of winding-up powers.

349. Costs of voluntary winding up

Gives properly incurred voluntary winding-up costs, including liquidator remuneration, priority payment from assets.

350. Saving for rights of creditors and contributories

Preserves creditor and contributory rights to seek court winding up, with an additional prejudice test for a contributory's application.

351. Power to order winding up subject to supervision

Allows voluntary winding up to continue under court supervision on terms preserving access to court for interested persons.

352. Effect of petition for winding up subject to supervision [A25-S]

Treats a supervision petition as a court winding-up petition for jurisdiction over actions.

353. Applications of section 275 and 276 to winding up subject to supervision

Applies the invalidation rules for dispositions and attachments in sections 275 and 276 to supervised winding up.

354. Power of court to appoint or remove liquidators

Allows the court to add, remove and replace liquidators in a supervised winding up.

355. Effect of supervision order

Preserves voluntary-liquidation powers subject to court restrictions and specified sanction requirements; defines the effect of supervision.

356. Admissible claims

Allows present, future, contingent and damages liabilities to be admitted as claims in liquidation.

357. Claims by unsecured creditors

Sets unsecured proof-of-debt requirements and the liquidator's powers to verify, admit, reject and reconsider claims.

358. Rights and duties of secured creditors [A25-S]

Allows secured creditors to realise security, value it and claim for a shortfall, or surrender it and prove as unsecured, subject to accounting requirements.

359. Ascertainment of amount of claim

Values claims at commencement of winding up and converts foreign-currency debts at that date's closing exchange rate.

360. Claim not of an ascertained amount

Requires liquidator estimation of uncertain or contingent claims, subject to court determination on an aggrieved claimant's application.

361. Fines, penalties, or recoveries

Preserves recovery of specified fines, State penalties, costs and accrued employee-related dues under the stated conditions.

362. Claims relating to debts payable after commencement of winding up

Discounts debts falling due more than six months after commencement to present value at the prescribed rate.

363. Mutual credit and set-off

Requires mutual credits and debts to be set off so that only the balance is proved or paid, subject to exclusions and safeguards.

364. Interest on claims

Regulates contractual or judgment interest before winding up and payment of post-commencement interest from surplus assets.

365. Preferential claims

Requires preferential payments in the Ninth Schedule's order; defines when charged assets enter the available pool.

366. Claims of other creditors and distribution of surplus assets

Provides equal ranking of ordinary claims, proportionate payment if insufficient, recognition of agreed subordination and distribution of surplus.

367. Transactions having preferential effect

Allows avoidance of qualifying preferential transactions during specified periods, subject to insolvency, preference and statutory presumptions.

368. Voidable charge

Allows avoidance of charges created within the specified period, subject to exceptions for qualifying value, solvency and replacement security.

369. Uncommercial transactions

Allows avoidance of uncommercial transactions where the timing and financial-distress tests are met.

370. Procedure for setting aside voidable transactions and charges

Sets filing, service, objection and court procedures for setting aside voidable transactions and charges.

371. Other orders

Allows restorative orders after avoidance, including repayment, return or vesting of property and release or adjustment of obligations.

372. Additional provisions relating to setting aside of transactions and charges

Protects qualifying good-faith purchasers and provides further limits and defences concerning recovery after avoidance.

373. Interpretation in relation to preferences & [A25-S]

Defines transactions, look-back periods and connected-person concepts for the avoidance provisions.

374. Fraud &c. in anticipation of winding up

Creates offences for specified concealment, removal, falsification and other misconduct in anticipation of winding up.

375. Fraudulent trading

Criminalises knowingly participating in fraudulent trading and allows court-imposed personal responsibility for debts or liabilities.

376. Power of court to require persons to repay money or return property

Allows inquiries and repayment, restoration or compensation orders against persons responsible for misapplication, retention, negligence or breach of duty.

377. Disclaimer of onerous property [A25-S]

Allows court-approved disclaimer of onerous property or contracts within the statutory period, with affected-party protections.

378. Restriction of rights of creditor as to execution or attachment in case of company

Limits a creditor's retention of execution or attachment benefits not completed before the relevant winding-up point, subject to exceptions.

379. Duty of fiscal as to goods taken in execution

Requires the Fiscal to deliver qualifying execution assets or proceeds to the liquidator and regulates execution costs and protected interests.

380. Offences by officers of companies in liquidation

Creates offences for officers' failures to disclose or deliver company assets and records and for specified fraud or obstruction in liquidation.

381. Liability where proper accounts are not kept

Penalises responsible officers where proper accounts were not kept during the prescribed pre-liquidation period, subject to the stated defence.

382. Prosecution of delinquent officers and members of the company

Provides referral and prosecution procedures for suspected offences by officers or shareholders discovered during winding up.

383. Qualifications of liquidators

Disqualifies specified persons from acting as liquidator, including minors, certain connected persons, creditors and persons subject to relevant prohibitions.

384. Corrupt inducement affecting appointment as liquidator

Criminalises giving or offering valuable consideration to influence appointment or nomination of a liquidator.

385. Enforcement of duty of liquidator to make returns, &c.,

Allows court enforcement where a liquidator fails to cure filing or notice defaults after 10 working days' notice.

386. Notification that a company is in liquidation

Requires relevant business documents to state that the company is being wound up.

387. Exemption of certain documents from stamp duty on winding up of companies [A25-S]

Exempts specified instruments connected solely with qualifying winding-up property or proceedings from stamp duty.

388. Books of company to be evidence

Makes company and liquidator books prima facie evidence between contributories of the matters recorded.

389. Disposal of books and papers of the company [A25-S]

Regulates disposal and retention responsibility for company and liquidator records after winding up, subject to directions and statutory safeguards.

390. Information as to pending liquidation

Requires prescribed progress statements to the Registrar where liquidation continues beyond one year.

391. Resolutions passed at adjourned meetings of creditors and contributories

Treats a resolution at an adjourned creditor or contributory meeting as passed on its actual adoption date.

392. Meetings to ascertain wishes of creditors or contributories

Allows court-directed meetings to ascertain creditor and contributory wishes, taking account of debt values or voting rights.

393. Power of court to declare dissolution of company void

Allows the court to declare dissolution void within two years and requires registration of the resulting order.

394. Registrar may strike off defunct company from register

Provides inquiry, notice, strike-off and restoration procedures for defunct companies, preserving specified liabilities.

395. Property of dissolved company to vest in the State

Vests dissolved-company property in the State, excluding property held on trust for others and subject to restoration-related orders.

396. Establishment of Companies Liquidation Account [\[A25-S\]](#)

Establishes the Companies Liquidation Account and regulates management and investment of its funds.

397. Payments into and out of Companies Liquidation Account

Requires unclaimed liquidation assets to be paid into the statutory account and permits payment to entitled claimants.

398. Refusal to supply essential services prohibited

Prohibits essential-service suppliers from refusing supply or demanding pre-liquidation arrears as a condition of supply, while preserving permitted current-payment protections.

399. Rules and fees for winding up

Authorises winding-up rules and prescribed fees.

Part XIII - Administrators

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

400. Interpretation

Defines the administration initial period and extends hire-purchase references to specified financing and title-retention arrangements.

401. Power of board to appoint administrator

Allows the board to appoint an administrator where financial distress exists and administration is likely to achieve rescue, compromise or better realisation objectives.

402. Notice to charge holders of appointment of administrator

Requires immediate notice to persons entitled to appoint a receiver; their appointment within 10 working days displaces the administrator.

403. Effect of appointment of administrator

Provides an initial moratorium on winding up, security enforcement and proceedings, subject to statutory exceptions, consent or court leave.

404. Duty of administrator to summon initial meeting [A25-S]

Requires prompt notice and a creditor meeting to confirm the administrator; failure to obtain timely confirmation ends the appointment.

405. Effect of confirmation of administrator

Continues statutory protection against winding up, receivership and enforcement during confirmed administration, subject to exceptions and court control.

406. Statement of proposals

Requires the administrator's proposals, filing, circulation and a creditor meeting within the prescribed periods.

407. Consideration of proposals by creditors' meeting

Regulates creditor approval or modification of proposals, notice to the Registrar and the administrator's continuation or departure.

408. Consequential orders where administrator cease to hold office

Allows consequential court orders when an administrator leaves office.

409. Approval of substantial revisions to proposals

Requires creditor consideration of substantial revisions to approved proposals and information for shareholders.

410. Notice of appointment of administrator

Requires immediate public notice of the administrator's appointment and a copy to the Registrar.

411. Notice of administration

Requires company documents and agreements to disclose the administrator's appointment; omission does not invalidate the document.

412. Qualifications of administrator

Lists administrator disqualifications, including age, creditor status, specified connections, insolvency and management prohibitions.

413. Validity of acts of administrator

Preserves the validity of acts despite the administrator's lack of qualification.

414. Consent to be appointed [A25-S]

Requires written consent for an administrator's appointment to take effect.

415. Vacancy in office of administrator

Regulates vacancies, resignation through a successor, notifications and court review or replacement.

416. Powers of administrators

Gives the administrator management and related powers, permits court directions and restricts interfering company or board action without consent.

417. Power to deal with charged property &c.,

Allows dealings with floating-charge assets and court-authorised sales of other secured or hire-purchase property, with protection for secured interests.

418. General duties of administrator

Requires custody and management of assets in accordance with approved proposals and court directions, and creditor meetings when properly requested.

419. Discharge of administrator or variation of resolution appointing administrator

Provides termination or variation procedures where administration objectives are achieved, cannot be achieved or require adjustment.

420. Remuneration and expenses of administrator

Charges remuneration, expenses and qualifying indemnities against company property with priority over floating security; permits court review of remuneration.

421. Liability of administrator

Defines administrators' personal liability for contracts, continuing employment and property-use obligations, together with qualifications and indemnity rights.

422. Relief from liability

Allows relief for honest and reasonable administrators whose liability arose solely from a defective appointment or court order.

423. Obligations of company and directors to provide information &c

Requires the company and directors to provide records, information, verification, assistance and any common seal; permits court enforcement.

424. Creditors' committee [A25]

Allows a creditors' committee to require attendance and information. The 2025 amendment permits a reasoned request to the Registrar for extra time and requires communication of the decision.

425. Protection of interests of creditors and share holders

Allows creditors or shareholders to seek relief against unfairly discriminatory or prejudicial administration conduct.

426. Application to administrator of provisions relating to receivers

Applies specified receiver reporting, accounting and enforcement provisions to administrators with necessary modifications.

Part XIV - Floating charges

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

427. Company may grant floating charge [A24]

Authorises floating charges and regulates their relationship with other security law. The 2024 amendment substitutes the Secured Transactions Act reference; see the commencement qualification in the amendment guide.

428. Instrument creating floating charge [A24, A25-S]

Regulates execution and registration of floating-charge instruments. The 2024 amendment redirects movable-property registration to the Secured Transactions Act and repeals subsection (4), subject to commencement.

429. Provisions of instrument creating floating charge

Imports the Eleventh Schedule's implied terms unless excluded or inconsistent and permits restrictions and agreements on competing security.

430. Dealing with property subject to floating charge before attachment

Permits ordinary-course dealings before attachment, subject to the instrument, and provides recovery in specified improper-disposal circumstances.

431. Ranking of floating charges [A24, A25-S]

Sets ranking rules for floating and fixed security. The 2024 insertion applies Secured Transactions Act priority rules to covered movable-property charges, subject to commencement.

432. Alteration and discharge of floating charges

Allows alteration and discharge of floating charges and applies specified filing requirements to material amendments.

433. Circumstances in which floating charge attaches to property

Identifies events causing a floating charge to attach as fixed security and regulates subsequent dispositions and protected interests.

433A. Interpretation of floating charge [A24]

The 2024 insertion defines "floating charge" for this Part as a security right under the Secured Transactions Act, No. 17 of 2024; subject to the amendment's appointed commencement.

Part XV - Receivers and managers

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

434. Interpretation

Defines creditor, grantor, grantee, property, receiver and other terms used in the receivership provisions.

435. Instrument may confer power to appoint receiver

Allows a whole-undertaking floating-charge instrument to confer a power to appoint a receiver.

436. Qualifications of receivers

Lists receiver disqualifications, including age, creditor status, specified relationships, insolvency and management prohibitions.

437. Appointment of receiver under an instrument

Provides written appointment under an instrument and normally makes the receiver the grantor's agent; addresses immovable property and mortgage-law interaction.

438. Extent of power to appoint a receiver

Allows multiple, additional and successor receivers unless excluded and regulates joint or separate exercise of their powers.

439. Court may appoint a receiver

Allows court appointment over secured property for default, threatened improper disposal or preservation of the secured property.

440. Notice of appointment of receiver

Requires appointment notices to the grantor, public and Registrar promptly and no later than 10 working days.

441. Notice of receivership

Requires relevant agreements and documents to disclose receivership; failure does not invalidate them.

442. Vacancy in office of receiver

Regulates resignation, disqualification, vacancies, notices and assistance to a successor; court-appointed receivers need leave to resign.

443. Powers of receivers

Gives receivers powers under their appointment and, subject to it, the Twelfth Schedule.

444. Precedence among receivers

Determines precedence between receivers appointed under competing floating charges, including equal-ranking and court-appointed receivers.

445. Power to make calls on shares

Allows calls and enforcement concerning charged uncalled capital, using the board's relevant powers.

446. Execution of documents

Allows execution of company documents by the receiver and validates prescribed signing and sealing methods.

447. Obligations of company and directors

Requires company and director cooperation, records, verification and access to any common seal, with court enforcement.

448. Validity of acts of receivers

Protects acts and transactions from invalidity solely because of appointment or authority defects, subject to the counterparty-knowledge exception.

449. Consent of mortgagee to sale of property [A25-S]

Allows court-authorised sale without an unobtainable mortgagee consent where the statutory efforts, benefit and prejudice tests are met.

450. General duties of receivers [A25-S]

Requires good faith, reasonable belief in the appointing interest's benefit and reasonable regard to other affected interests.

451. Duty of receiver selling property

Requires a selling receiver to obtain the best price reasonably obtainable at the time of sale.

452. No defence or indemnity

Excludes agency-based defences and indemnity from company or receivership property for breach of the sale-price duty.

453. Duty in relation to money

Requires receivership money to be kept separate from unrelated money.

454. Accounting records

Requires proper accounting records and retention for at least five years after the receivership ends.

455. First report by receivers

Requires a first report within two months of appointment covering assets, liabilities, security, circumstances and proposed conduct.

456. Further reports by receiver

Requires further reports for each six-month period and at completion, normally within two months of the relevant date.

457. Extension of time for preparing reports

Allows the court or Registrar, depending on the appointment route, to extend receiver-report preparation deadlines.

458. Persons entitled to receive reports

Identifies report recipients, court-filing duties and eligible persons entitled to copies on request and payment of reasonable costs.

459. Persons entitled to inspect reports

Allows entitled recipients to inspect reports during normal office hours at the responsible person's office.

460. Duty to notify breaches of any provisions of this Act

Requires reporting to the Registrar where the receiver considers specified company or securities offences have occurred, without imposing a general investigative duty.

461. Notice of end of receivership

Requires notice to the Registrar within 10 working days after receivership ends.

462. Preferential claims

Sets priorities for proceeds under a floating-charge receivership before payment to the appointing charge-holder.

463. Powers of receiver on liquidation

Allows receivership to continue or commence during winding up unless the court orders otherwise; restricts agency and regulates resulting liabilities.

464. Liability of receiver

Sets receivers' personal liability for contracts, continuing employment and property-use obligations, with statutory qualifications and indemnity provisions.

465. Relief from liability

Allows relief for honest and reasonable receivers whose liability stems solely from appointment defects, with corresponding liability for the appointing interest.

466. Court supervision of receivers

Allows court directions, remuneration review or repayment and determination of appointment or possession validity.

467. Court may terminate or limit receivership

Allows termination or limitation of receivership where its purpose has been satisfied as far as possible or continuation is no longer justified.

468. Orders to enforce receiver's duties

Provides court enforcement of receiver duties, including appropriate corrective, removal and disqualification orders.

469. Orders protecting property in receivership

Allows asset-preservation and information-delivery orders when a receiver is removed.

470. Refusal to supply essential services prohibited [\[A25-S\]](#)

Protects continued essential services against demands for pre-receivership arrears, subject to permitted current-supply protections.

Part XVI - Registrar-General and registration

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

471. Appointment of officers [A25]

Provides for registry officers and delegated functions. The 2025 changes add Additional Registrars-General and permit allowances determined with the Finance Minister's concurrence.

472. Appeals from Registrar's decisions [A25, A25-S]

Allows appeal against a Registrar act or decision within 15 working days of receiving notice, or further time allowed by court, and broad corrective orders; subsection (1) was replaced in 2025.

473. Registers to be kept

Requires company and overseas-company registers, permits electronic records and regulates prescribed document destruction.

474. Authentication of documents by seal

Allows Registrar seals to authenticate registration-related documents.

475. Registration of documents, copies of documents, notices &c

Regulates acceptance, registration and rejection of documents and correction of specified filing defects.

476. Translations of documents filed

Allows the Registrar to require a certified translation of a document outside the official languages or English and withhold action until supplied.

477. Fees

Authorises prescribed registration, filing and related fees and regulates charges where no special provision applies.

478. Recovery of expenses and fees

Allows unpaid registry expenses and fees to be recovered through a Magistrate as a fine.

479. Fund

Establishes the statutory Fund, allocates fee receipts between it and the Consolidated Fund and regulates expenditure and accountability.

480. Inspection, production and evidence of documents kept by Registrar

Provides paid inspection and certified copies of registry records and rules on their evidential use.

481. Enforcement of duty of company to make returns to Registrar [A25-S]

Allows court orders to remedy company filing defaults remaining uncorrected after 10 working days' notice.

482. Unlawful disclosure of information relating to companies [A25-S]

Criminalises unauthorised disclosure or unlawful use of company information obtained through registry employment.

483. Production and inspection of books where an offence is suspected

Allows a Magistrate to authorise inspection or production of company records where there is reasonable cause to suspect an officer's management-related offence.

484. Registrar's power to call for information and to inspect books, registers and documents

Gives the Registrar powers to require information, explanations, books and records and inspect them for statutory purposes.

484A. Extension of time for furnishing documents [A25]

Inserted in 2025: permits a written request for more time to supply records required under section 484. Failure within the allowed time may attract fines up to Rs. 500,000 for the company and Rs. 200,000 for a defaulting officer.

Part XVII - Existing companies

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

485. Application of Act to existing companies

Applies the new Act to pre-existing companies and provides transitional treatment of their status, capital and registration.

486. Provisions relating to articles of existing companies

Preserves existing articles, treats the former memorandum as part of them and avoids automatic application of the new model articles.

487. Provisions relating to company numbers of existing companies &c [A25]

Provides transitional renumbering and strike-off rules. The 2025 insertion allows qualifying section 487(3) companies to seek court re-registration within 10 years of amendment commencement, with Attorney-General participation and protected property interests.

Part XVIII - Overseas companies

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

488. Interpretation

Defines overseas-company terms, including an established Sri Lankan place of business and registered status.

489. Documents and particulars to be delivered to Registrar by overseas companies

Requires overseas companies establishing a Sri Lankan place of business to file constitutional, director, local-service and other particulars within one month.

490. Power of overseas companies to hold lands

Confers the same land-holding power as a Sri Lankan-incorporated company; separate land-ownership restrictions must also be considered.

491. Return to be delivered to Registrar where documents &c. altered

Requires prescribed returns when an overseas company's constitution, directors, service representatives or relevant addresses change.

492. Financial statements of overseas company

Requires annual financial statements and, where applicable, group statements and certified Registrar filings, with necessary translations and prescribed exceptions.

493. Name of overseas company

Allows the Registrar to challenge an overseas company's name and require an acceptable name for Sri Lankan business under the statutory procedure.

494. Obligation to state name and particulars of company

Requires display and disclosure of the company name, country of incorporation and, where applicable, limited-liability status.

495. Service on overseas company

Provides service through the registered Sri Lankan representative and fallback service at an established local business address.

496. Registrar to be notified when company ceases to have place of business in Sri Lanka

Requires immediate notice when the Sri Lankan place of business ceases; the statutory document-delivery obligation then ceases under this section.

497. Liquidation of assets in Sri Lanka of overseas company

Allows Sri Lankan assets of an overseas company to be wound up under Part XII as modified by the Thirteenth Schedule, even in specified unregistered or dissolved cases.

498. Penalties for non-compliance

Penalises overseas-company non-compliance, other than section 493, and knowing and wilful officer or agent participation.

499. Enforcement of duty to comply with provisions of this Part

Allows court orders to correct overseas-company defaults continuing after 10 working days' notice.

500. Dating of prospectus and particulars to be contained therein

Requires dating and prescribed constitutional, local-address and other disclosures in overseas-company prospectuses circulated in Sri Lanka, subject to exceptions.

501. Provisions as to expert's consent and allotment

Requires expert consent and prescribed allotment protections for overseas-company prospectuses issued in Sri Lanka.

502. Registration of prospectus

Requires registration of a certified, governing-body-approved overseas prospectus with specified consents and supporting material before circulation.

503. Penalty for contravention of section 500, section 501 or section 502

Penalises knowing responsibility for issue or circulation in breach of sections 500-502.

504. Civil liability for misstatements in prospectus

Extends section 41's civil misstatement liability to overseas-company prospectuses with the necessary cross-reference adaptation.

505. Interpretation of provisions as to prospectuses

Applies deemed-prospectus rules, defines scope and excludes specified professional-dealer offers from public offers.

Part XIX - Advisory Commission

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

506. Appointment &c. of Advisory Commission

Allows a Companies Advisory Commission to advise on company law, review it and recommend changes; regulates its constitution and operation.

Part XX - Companies Disputes Board

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

507. Companies Disputes Board

Allows establishment of the Companies Disputes Board and regulates membership, tenure and administration.

508. Board members may mediate disputes [A25]

Provides consensual mediation, court referrals and settlement recording and enforcement. The 2025 replacement of subsection (1) covers disputes under the Act or concerning company affairs or management.

509. Privilege in respect of mediations proceeding

Protects mediation communications from unauthorised disclosure and evidential use without all parties' consent.

510. Fees payable in respect of mediation

Provides agreed mediation fees and costs, normally shared equally, and regulates payment through the Fund and to mediators.

Part XXI - Offences

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

511. Penalty for false statement

Penalises knowingly false material statements in documents required under the Act, with fines up to Rs. 1 million and/or imprisonment up to five years.

512. Penalty for falsification of records

Penalises fraudulent or deceptive destruction, alteration or falsification of company records and false entries, with fines up to Rs. 1 million and/or imprisonment up to five years.

513. Penalty for improper use of word "Limited"

Penalises improper use of "Limited" or an imitation by a business not duly incorporated with limited liability.

513A. General penalty [A25]

Inserted in 2025: supplies penalties where no express penalty exists-up to Rs. 1 million and/or six months for subsection (1) offences. Subsection (2) addresses responsible persons for body offences, with up to Rs. 500,000 and/or one year and the stated knowledge/diligence defence.

514. Compounding of certain offences [A25-S]

Allows the Registrar to compound specified filing and notice offences by accepting a payment instead of initiating or continuing prosecution.

515. Offences summarily triable

Allows all offences under the Act to be tried summarily by a Magistrate.

516. Imposition and application of fines

Permits statutory fines beyond ordinary jurisdictional limits and allocation of fines towards proceedings costs or informant rewards.

517. Savings as to private prosecutors

Preserves private prosecution rights despite provisions for Attorney-General proceedings.

518. Savings for privileged communications

Preserves attorney-client privileged communications in prosecutions instituted by the Attorney-General.

Part XXII - Miscellaneous

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

519. Prohibition of partnership with more than twenty members [A25-S]

Restricts profit-making associations and partnerships exceeding 20 persons unless appropriately registered or incorporated, subject to specified professional and other exceptions.

520. Procedure

Sets petition, affidavit and motion procedures, respondent notice rights and the Registrar's entitlement to be heard in court matters.

521. Grant of interim relief

Allows interim relief, including restraining orders, subject to procedural safeguards and undertakings as to loss for specified applicants.

522. Savings for attorney-at-law and bankers

Preserves legal professional privilege and protects information about a bank's other customers, subject to the stated exceptions.

523. Service of documents on company

Provides service at the registered office, through officers or by a court-directed alternative.

524. Documents to be received in evidence

Presumes statutory documents to have been made by the identified company or person and signatories to know their contents, unless disproved.

525. Costs in action by certain limited companies

Allows security for a defendant's costs where credible evidence shows a plaintiff limited company may be unable to pay them.

526. Power of court to grant relief in certain cases

Allows court relief from liability for officers or auditors who acted honestly and reasonably and ought fairly to be excused.

527. Regulations

Authorises regulations, requires Gazette publication and parliamentary approval, and addresses disapproval and prior acts.

528. Sinhala text to prevail in case of inconsistency

Provides that the Sinhala text prevails over the Tamil text in case of inconsistency.

529. Interpretation [A14, A25]

Defines terms used throughout the Act. The 2014 Act adds the Commissioner-General of Inland Revenue definition; the 2025 Act excludes the company's own shares from "distribution". Apply definitions before interpreting operative duties.

530. Transitional provisions

Preserves and adapts prior-law instruments, actions and appointments and provides other transitional rules.

531. Savings

Preserves specified incorporations, historic model provisions and other existing legal effects despite the new Act.

532. Savings of pending proceedings for winding up

Generally leaves winding ups commenced before the appointed date under the former law, while permitting court-directed application of specified new provisions.

Part XXIII - Repeals and amendments

Principal Act [S1]. Amendment markers refer to [S2]-[S5].

533. Repeals

Repeals the Companies Act, No. 17 of 1982 and the specified 1974 and 1975 special-provisions laws, subject to savings.

534. Amendment of the First Schedule of Act, No. 10 of 1996

Amends the High Court of the Provinces (Special Provisions) Act schedule to cover applications and proceedings under the 2007 Companies Act.

The 13 Schedules

1. Model articles

Default articles covering shares, distributions, shareholder meetings, directors and administration. They operate through sections 14-15 and may be excluded or modified as permitted. The 2025 correction Schedule adjusts articles 17(3), 17(4) and 31(1).

2. Private companies acting unanimously

Lists provisions disapplied through section 31 when its unanimous written shareholder-approval conditions are met. It does not create a general exemption from the Act.

3. Guarantee-company exclusions

Identifies share-capital, buy-out, interest-group and other provisions that do not apply to companies limited by guarantee under section 35.

4. Prospectus contents and reports

Specifies business, capital, director, subscription, contract and other disclosures; financial and accountant reports; and interpretive rules. The 2025 Schedule corrects specified paragraphs, including the wording of Part II paragraph 22(1)(a).

5. Annual-return particulars

Lists shareholder, share, indebtedness, director and other information for the annual return, subject to prescribed omissions. Read historic bearer-warrant fields with the 2025 prohibition and conversion rules.

6. Non-delegable board powers

Lists reserved board powers, including key share, distribution, capital, registered-office, amalgamation and administration decisions.

7. Creditor-meeting procedure

Provides meeting methods, notice, chairing, voting, proxies, postal votes and records. Applies where adopted by compromise and administration provisions.

8. Supervised winding-up exclusions

Lists court-winding-up provisions disapplied to winding up under court supervision, under section 355(2).

9. Preferential claims

Prescribes the order and treatment of liquidation expenses, employee-related dues, specified taxes and other preferred claims. The 2014 amendment changes the specified income-tax and VAT look-back periods to five years. Read legacy tax references with current tax law; other categories retain their own wording.

10. Payment of liquidation claims

Provides distribution lists, notices, claim cut-offs, inspection and treatment of creditors in distributions under section 366(5).

11. Implied floating-charge terms

Provides default covenants concerning ordinary-course disposals, continuing security, compliance, payment, maintenance and enforcement. Express terms may exclude or override them as section 429 permits.

12. Receiver powers

Lists default powers to recover income, manage, insure and maintain property, inspect records and undertake additional whole-undertaking functions, subject to the appointment instrument or order.

13. Overseas-company asset liquidation

Adapts Part XII to Sri Lankan assets, substitutes cessation of local business for dissolution and excludes specified domestic-company and voluntary-liquidation provisions.

Amending Acts: clause-by-clause map

Act No. 13 of 2014

Section 1. Short title.

Section 2. Replaces principal section 132: private-company certificates and notification duties.

Section 3. Amends Ninth Schedule paragraph 2(b) and (d): specified tax-preference periods.

Section 4. Adds the Commissioner-General of Inland Revenue definition to section 529.

Section 5. Sinhala text prevails over Tamil in case of inconsistency.

Act No. 13 of 2019

Section 1. Short title.

Section 2. Amends section 5: incorporation entry, certificate and Registrar public notice.

Section 3. Repeals section 9(1) and adapts section 9(3).

Section 4. Replaces section 10(1)(b): confusing-name objection and notice references.

Section 5. Sinhala text prevails over Tamil in case of inconsistency.

Act No. 23 of 2024

Section 1. Short title; substantive provisions commence on a ministerially appointed Gazette date.

Section 2. Amends section 427(3)(a): Secured Transactions Act reference.

Section 3. Replaces section 428(3) and repeals section 428(4).

Section 4. Adds section 431(7): relevant movable-property priority rules.

Section 5. Inserts section 433A: floating-charge definition.

Section 6. Sinhala text prevails over Tamil in case of inconsistency.

Act No. 12 of 2025

Section 1. Short title and appointed commencement; substantive commencement 30 March 2026.

Section 2. Amends section 4(2): single-shareholder incorporation.

Section 3. Amends section 11(5): 20-working-day notice period.

Section 4. Amends section 51: bearer prohibition and issue-information requirements.

Section 5. Inserts section 51A: existing bearer instruments.

Section 6. Replaces section 52(3): allotment within 20 working days of receipt of consideration, with the specified reserve-paid issue exception.

Section 7. Inserts sections 130A-130J: beneficial ownership framework.

Section 8. Replaces section 206(2)-(3), adds (4): director removal and representation.

Section 9. Replaces section 211(1): over-age director approval to the next AGM, subject to section 133(1)(b).

Section 10. Repeals section 270(c): minimum-members winding-up ground.

Section 11. Repeals section 272(1)(a)(i): corresponding petition limb.

Section 12. Replaces section 341(3): final liquidation account and return.

Section 13. Adds proviso to section 424(2): extra time for administrator information.

Section 14. Amends section 471: additional officers and allowances.

Section 15. Replaces section 472(1): appeal time from receipt of notice and court extension.

Section 16. Inserts section 484A: extension for requested records and default penalties.

Section 17. Adds section 487(5): re-registration of qualifying struck-off companies.

Section 18. Replaces section 508(1): mediation scope.

Section 19. Inserts section 513A: general penalties.

Section 20. Amends section 529: distribution definition.

Section 21. Applies the 93-item correction Schedule to specified sections and Schedules.

Section 22. Sinhala text prevails over Tamil in case of inconsistency.

Beneficial ownership regulations - 2026

Read this appendix with sections 130A-130J, which create the underlying duties. The regulations prescribe forms, submission mechanics and fees. References [S6]-[S8] provide the regulatory texts and official notices.

March framework - No. 01 of 2026

Gazette No. 2480/48 of 21 March 2026, effective 30 March 2026. Regulation 1 gives title and commencement; regulations 2-6 prescribe event, annual, authorised-person, register-location and existing-company forms; regulation 7 deals with personal-information changes within 14 working days; regulation 8 provides fees. This original framework was rescinded by the October replacement, with prior valid acts saved.

October replacement - No. 1(I) of 2026

Gazette No. 2509/67 of 9 October 2026, effective 9 October. Regulation 1 gives title and commencement. Regulations 2-6 preserve the core form categories below. Regulation 7 introduces BO8 for personal-information changes. Regulation 8 prescribes fees. Regulation 9 originally provided a Treasury-related transitional identification arrangement. Regulation 10 originally prescribed escalating late fees. Regulation 11 rescinds the March regulations with effect from 8 October, preserving valid prior action.

Further amendment - No. 1(II) of 2026

Gazette No. 2511/47 of 21 October 2026, effective 22 October. Regulation 1 gives title and commencement. Regulation 2 rescinds the earlier regulation 9, preserving prior valid acts. Regulation 3 replaces regulation 10 with a late charge of Rs. 1,000 for each week or part of a week. Regulation 4 revises the authenticated-copy fee Schedule.

Forms under the operative clauses

- BO1** - Beneficial ownership at incorporation
- BO2** - Beneficial ownership on issue of shares
- BO3** - Beneficial ownership on transfer of shares
- BO4** - Annual beneficial ownership submission
- BO5** - Authorised-person appointment or change
- BO6** - Location of beneficial ownership register
- BO7** - Existing-company initial beneficial ownership submission
- BO8** - Change in personal information; within 14 working days

Fees and date-sensitive points

The October fee Schedule lists Rs. 2,300 charges for seven prescribed forms, plus applicable taxes. Its descriptions do not align consistently with the BO4-BO7 numbering in the operative clauses, and it does not separately specify a BO8 fee. Use the operative clauses for form purpose and verify the portal's assessed charge. The 22 October amendment prescribes Rs. 2,300, plus applicable taxes, for an authenticated copy of each specified BO1-BO7 form, including search.

The DRC's published extension set 21 October 2026 for the existing-company submission. That date has passed at this note's cut-off. A late-submission charge does not remove the statutory reporting obligation or substitute for the Act's offence provisions.

Retention and event reporting

The Act includes shareholder notification within 10 working days of subscribing or transfer; company notification on incorporation or within 20 working days of issue or transfer; prescribed change notification within 14 working days of receipt; and annual reporting with the annual return. These are distinct triggers. Records are retained for at least 10 years from recording, with the separate five-year post-dissolution requirement. The authorised person must be a natural person resident in Sri Lanka.

Sources and verification notes

[S1] Companies Act, No. 07 of 2007 - certified 20 March 2007. Official Parliament PDF.

[Open source](#)

[S2] Companies (Amendment) Act, No. 13 of 2014 - certified 24 April 2014. LawNet statutory text.

[Open source](#)

[S3] Companies (Amendment) Act, No. 13 of 2019 - certified 6 August 2019. Official Parliament PDF.

[Open source](#)

[S4] Companies (Amendment) Act, No. 23 of 2024 - certified 1 April 2024. Official Parliament PDF.

[Open source](#)

[S5] Companies (Amendment) Act, No. 12 of 2025 - certified 4 August 2025. Official Parliament PDF.

[Open source](#)

[S6] DRC beneficial ownership guidance and March framework. Gazette 2480/47 appoints commencement; Gazette 2480/48 contains the original regulations.

[Open source](#)

[S7] DRC publication of the October replacement, Gazette 2509/67, with downloadable signed regulations.

[Open source](#)

[S8] DRC publication of Gazette 2511/47, effective 22 October 2026, including the revised late charge and links to both October texts.

[Open source](#)

[S9] DRC notices, including the existing-company beneficial ownership deadline extension to 21 October 2026.

[Open source](#)

[B1] Synergy Advisors website - logo, firm identity and contact details.

[Open source](#)

Verification boundaries

Coverage checked: all sections 1-534, all 14 inserted sections listed in this note, all 13 Schedules and a separate clause map for each of the four amending Acts. The underlying 2007 text is not itself a current consolidated statute. The 2024 commencement order remains an expressly identified verification limitation. Other sector rules, listing rules, tax law and land restrictions may impose additional requirements.



SYNERGY ADVISORS

Synergy Advisors (Chartered Accountants)

sa.lk | info@sa.lk | +94 71 434 7918