

Different types
of companies.

3. (1) A company incorporated under this Act may be either—

- (a) a company that issues shares, the holders of which have the liability to contribute to the assets of the company, if any, specified in the company's articles as attaching to those shares (in this Act referred to as a "limited company") ; or
- (b) a company that issues shares, the holders of which have an unlimited liability to contribute to the assets of the company under its articles (in this Act referred to as an "unlimited company") ; or
- (c) a company that does not issue shares, the members of which undertake to contribute to the assets of the company in the event of its being put into liquidation, in an amount specified in the company's articles (in this Act referred to as a "company limited by guarantee").

(2) Where a limited company is incorporated as a private company or as an off-shore company, the provisions of Part II or Part XI shall apply respectively, to such a company.

INCORPORATION OF COMPANIES

Method of
incorporating a
company.

4. (1) Subject to the provisions of subsection (2), any person or persons may apply to incorporate a company, other than a company limited by guarantee, by making an application for the same to the Registrar in the prescribed form signed by each of the initial shareholders, together with the following documents :-

- (a) a declaration stating that to the best of such person or persons knowledge, the name of the company is not identical or similar to that of an existing company ;

- (b) the articles of association of the company, if different from the articles set out in the First Schedule hereto, and signed by each of the initial shareholders ;
- (c) consent from each of the initial directors under section 203, to act as a director of the company ; and
- (d) consent from the initial secretary under subsection (2) of section 221, to act as secretary of the company.

(2) A company shall have not less than two shareholders, provided that a company may have a single shareholder where such single shareholder is the Secretary to the Treasury who is holding shares on behalf of the Government of Sri Lanka or is an individual or a body corporate.

5. (1) On receipt of a properly completed application for incorporation in the prescribed form, the Registrar shall— Incorporation of a company.

- (a) enter the particulars of the company on the Register ;
- (b) assign a unique number to that company as its company number ; and
- (c) issue a certificate of incorporation in the prescribed form to the applicant company.

(2) The certificate of incorporation issued under subsection (1) shall specify—

- (a) the name and number of the company ;
- (b) the date on which the company was incorporated ;
- (c) whether the company is a limited company, an unlimited company or a company limited by guarantee ;
- (d) whether the company is a private company ; and
- (e) whether the company is an off-shore company ;

(3) A certificate of incorporation issued under this section in-respect of any company, shall be conclusive evidence of the fact that—

- (a) all the requirements under this Act relating to the incorporation of a company have been complied with ; and
- (b) the company has been incorporated under this Act on the date specified in such certificate of incorporation.

COMPANY NAMES

Requirements as to name.

6. The name of every—

- (a) limited company other than a listed company, shall end in the word “Limited” or by the abbreviation “Ltd” ;
- (b) private company, shall end in the words “(Private) Limited” or by the abbreviation “(Pvt) Ltd” ; and
- (c) limited company which is a listed company, shall end in the words “Public Limited Company” or by the abbreviation “PLC”.

Restrictions on names.

7. (1) A company shall not be registered by a name which—

- (a) is identical with the name of any other company or of any registered overseas company ;
- (b) contains the words “Chamber of Commerce”, unless the company is a company which is to be registered under a licence granted under section 34 without the addition of the word “Limited” to its name ; or