

**PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF**   
**SRI LANKA**

**COMPANIES (AMENDMENT)**   
**ACT, No. 23 OF 2024**

**[Certified on 01st of April, 2024]**

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| *Companies (Amendment) Act, No. 23 of 2024* | 1 |

[Certified on 01st of April, 2024]

L.D.-O.68/2017

AN ACTTOAMENDTHE COMPANIES ACT, NO. 07 OF 2007

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows: -

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| **1.**  (1) This Act may be cited as the Companies  (Amendment) Act, No. 23 of 2024. | Short title and  date of operation |

(2) The provisions of this Act, other than the provisions of this section, shall come into operation on such date as the Minister may appoint by Order published in the *Gazette*.

(3) The provisions of this section shall come into operation on the date on which the Bill becomes an Act of Parliament.

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| **2.** Section 427 of the Companies Act, No. 07 of 2007 (in this Act referred to as the “principal enactment”) is hereby amended in paragraph (*a*) of subsection (3) of that section, by the substitution for the words and figures“the provisions of the Registration of Documents Ordinance (Cap.117)”, of the words and figures “the provisions of the Secured Transactions Act, No. 17 of 2024”.  **3.** Section 428 of the principal enactment is hereby amended as follows: - | | Amendment of section 427 of Act,  No. 07 of  2007  Amendment of  section 428 of  the principal  enactment |
| (1) | in subsection (3) of that section, by the substitution for all the words and figures from“registered under the Registration of Documents Ordinance (Cap. 117)” to the |

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end of that subsection, of the words and   
figures “registered under the Secured   
Transactions Act, No. 17 of 2024 and the   
provisions of that Act shall apply in regard to   
such floating charge.”; and

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| Amendment of section 431 of the principal  enactment  Insertion of  new section  433A in the  principal  enactment | (2) | by the repeal of subsection (4) of that section. |
| **4.** Section 431 of the principal enactment is hereby amended by the addition immediately after subsection (6) of that section, of the following new subsection: -  “(7) Where any movable property owned by a companyis subject to a floating charge which is registered under the Secured Transactions Act, No. 17 of 2024, the provisions relating to priority contained in that Act shall apply in determining the priority of such floating charge.”.  **5.** The following new section is hereby inserted  immediately after section 433 of the principal enactment  and shall have effect as section 433A of that enactment: - | |

“Interpretation **433A.** In this Part of this Act, the term “floating charge” means a “security   
right” for the purpose of the application   
of the provisions of the Secured   
Transactions Act, No. 17 of 2024.”.

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| Sinhala text to  prevail in case  of inconsistency | **6**. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. |

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