



Company Secretary

Mr. Mohamed Jasmin



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The Companies Act does not define the term Secretary. But sec. 221(1) provides that every company should have a secretary.

Appointment and Removal

The First Secretary

The first secretary of the company is appointed at the time the company is incorporated; that is by Form 1 (Application form for incorporation).

Subsequent Secretaries

Subsequent Secretaries can be appointed and removed by the directors. If the board appoints a new secretary that appointment must be notified to the Registrar of Companies by way of Form 20 within 20 working days of his appointment.

The first secretary and the subsequent Secretaries should sign form 19 before acting as a Secretary.

Qualifications of a Secretary Sec. 222

Generally a company can have any person as its secretary. But if a company has a turnover of Rupees One Million or more or stated capital of Rupees Five Hundred Thousand or more, such a company should have a qualified person as its secretary.

A qualified person should be a citizen of Sri Lanka and ordinarily resident in Sri Lanka and he should have one or more of the following qualifications

1. An Attorney at Law of the Supreme Court
2. Members of the Institute of Chartered Accountants of Sri Lanka (ICASL)
3. Members of the Institute of Chartered Secretaries and Administrators of Sri Lanka
4. Members of the Chartered Institute of Management Accountants (CIMA)

Even a company or a partnership may be appointed as the secretary of a Company. In such a case at least one director or a partner must have one of the above qualifications.

Apparent or Ostensible Authority of a Secretary

A secretary has apparent authority to make administrative contracts on behalf of the company. When he makes such a contract the Company is bound by it even though he makes use of that contract for his personal advantage. Administrative contracts include purchasing stationeries, hiring or purchasing vehicles for the administrative purposes, recruiting employees etc.

However, a Secretary does not have Apparent Authority to do the following Activities

1. Borrow money on behalf of the company
2. Make trading contracts on company's behalf

The Position of a Company Secretary

A Company Secretary was earlier treated as a clerk or as a servant of a company. He did not have any power or authority to represent the Company. This position was clearly reflected in

Barnett & company Vs South London Trans ways Company (1887)

In this case Lord Esher said "A Secretary is a mere servant, his position is that he should do what he is told to do. No one can presume that he has any authority to represent a company in making contracts".

But over the years a Company Secretary became a much more important person. Now he is treated as a Chief Administrative Officer of the company. He is entitled to make administrative contracts on behalf of the company. He is required to possess professional qualifications to function as a Secretary. Even directors or any other officers are not expected to have these qualifications. This shows the importance of the company Secretary in the modern Company Law.

Panorama Developments (Guilford) Ltd. Vs Fidelis Furnishing Fabrics Ltd. (1971)

In this case a company secretary hired a car stating it to be for the company purpose. But in fact he used the car for his own private purposes. The company refused to pay for the hire. But court held that the company secretary may hire cars on behalf of the company because it is an administrative contract. Therefore if he has hired a car company is liable to pay even though it was used for his own purposes. Because the secretary has an apparent authority to make administrative contracts.

Lord Denning in giving the above judgement said "company secretary is a much more important person nowadays than he was in 1887. He is an officer of the company with extensive duties and responsibilities. This appears not only in the Company's Act but also by the role he plays in the day to day business of Companies. He is no longer a mere clerk. He is entitled to sign contracts with the administrative side of a company's affairs".



Notice of

CHANGE OF DIRECTOR/ SECRETARY AND PARTICULARS OF DIRECTOR/SECRETARY

Section 223(2) of the Companies Act No. 7 of 2007

[If there is insufficient space on the form to supply the information required, attach a separate sheet containing the information set out in the prescribed format]

No. of Company

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Company Name

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Indicate the purpose for which this notice is given by placing in the appropriate box

(a) Change of Director and/or particulars of Directors.

(b) Change of secretary and/or particulars of secretary.

Directors/Secretary ceasing to hold office

Full name *	Office eg: Director/ Secretary	Residential address	Date on which he ceased to hold office	Reason**

Appointment of new Directors/Secretaries

Full name *	Office Director/ Secretary ***	NIC No or Passport No (Specify Country)	Residential Address	Email Address (optional)	Date of appointment ***

In the case of appointment of a new Director/Secretary, the consent and certificate of the new Director/Secretary must be attached to this Form. (Please use Form 18 or 19 (as the case may be) for this purpose)

Presented by

*Please give first name(s) followed by surname in Block letters:

** State whether resignation/death

*** in the case of the secretary please give the registration number if applicable.

Change of name or residential address of Director/Secretary
 Complete only those details that apply [Attach separate sheets for multiple entries]

Name of Director/Secretary	Former Name of Director/Secretary
First names	Former first names
Residential address	Former Residential address

Date of change

Day		Month		Year	

Set out below are the names and residential address of the every person who is a Director/Secretary of the company from the date of this notice

Full name *	Residential Address

Signature of Director / Secretary **

Full Name of Director / Secretary**:

Date:

Day		Month		Year	

Notice should be delivered to the Registrar of Companies, within 20 working days of the change occurring

- * Please give first name(s) followed by surname in Block letters:
- ** Delete what is not applicable