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**B. Com (Part-2)
Paper I-Company Law**

**Chapter:- Memorandum of Association (MoA)
And
Articles of Association (AoA)**

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Memorandum of Association (MoA)

Memorandum of association is the charter of the company and defines the scope of its activities. An article of association of the company is a document which regulates the internal management of the company.

Memorandum of association defines the relation of the company with the rights of the members of the company interest and also establishes the relationship of the company with the members.

Definition as per section 2(56) of the Companies Act, 2013

The “memorandum” means the memorandum of association of a company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act.

Section 4 of the Companies Act, 2013 deals with MoA. The Memorandum of a company shall contain the following clauses;

1. Name Clause

The name of the company with the last word “Limited” in the case of a public limited company, or the last words “Private Limited” in the case of a private limited company.

2. Registered office Clause

The State in which the registered office of the company is to be situated.

3. Object Clause

The objects for which the company is proposed to be incorporated and any matter considered necessary in furtherance thereof.

4. Liability Clause

The liability of members of the company,
whether limited or unlimited:-

(A) in the case of a company limited by shares:-

Liability of its members is limited to the amount unpaid, if any, on the shares held by them.

(B) in the case of a company limited by guarantee:-

The amount up to which each member undertakes to contribute.

5. Capital Clause

The amount of share capital with which the company is to be registered and the division thereof into shares of a fixed amount.

6. Association/Subscription Clause

The number of shares which the subscribers to the memorandum agree to subscribe **which shall not be less than one share** and the number of shares each subscriber to the memorandum intends to take, indicated opposite his name;

(In the case of One Person Company, the name of the person who, in the event of death of the subscriber, shall become the member of the company).

Form of Memorandum:- As per the schedule I of the Companies Act, 2013.

The memorandum of a company shall be in respective forms as outlined below:-

S.No	Table	Form
1	Table A	MOA of a company limited by shares
2	Table B	MOA of a company limited by guarantee and not having share capital
3	Table C	MOA of a company limited by guarantee and having share capital
4	Table D	MOA of an unlimited company and not having share capital
5	Table E	MOA of an unlimited company and having share capital

Articles of Association(AoA)

A document that specifies the regulations for a company's operations. The articles of association define the company's purpose and lays out how tasks are to be accomplished within the organization, including the process for appointing directors and how financial records will be handled.

Definition as per section 2(5) of the Companies Act, 2013

“articles” means the articles of association of a company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act.

Section 5 of the Companies Act,2013 deals with AoA.

The articles of a company shall contain the regulations for management of the company.

The articles shall also contain such matters, as may be prescribed.

It shall be not prevent a company from including such additional matters in its articles as may be considered necessary for its management.

Items covered by the Articles of Association include :-

1. Adoption of preliminary contracts.
2. Number and value of shares
3. Allotment of shares
4. Calls on shares
5. Conversion of shares into stocks
6. Voting rights, proxies and polls
7. Appointment , Remuneration, etc of Directors
8. Borrowing powers
9. Dividend and Reserves

Form of Association:- As per the schedule I of the Companies Act, 2013.

The Association of a company shall be in respective forms as outlined below:-

S.No	Table	Form
1	Table F	AOA of a company limited by shares
2	Table G	AOA of a company limited by guarantee and having share capital
3	Table H	AOA of a company limited by guarantee and not having share capital
4	Table I	AOA of an unlimited company and having share capital
5	Table J	AOA of an unlimited company and not having share capital

Difference Between MoA and AoA

Memorandum of Association	Articles of Association
Charter of Company	Regulations for internal management
Defines the scope of the activities	Rules for carrying out the objects of company.
Supreme document	Subordinate to the memorandum.
Must for every company	Company limited by shares need not have it (Table 'A' applies)
Strict restrictions, alteration only with sanction of central govt./ tribunal.	Can be altered by special resolution.
It define the relationship between the company & the outsiders	It define the relationship between company & its staff and between members & members interests

Thanks You

References :-

1. Company Law Book , By Dr. Saha and Dr. Vishnoi (Sahitya Bhawan Publication Agra)
2. <http://ebook.mca.gov.in/> Then Companies Act, 2013