

- **Difference between articles and memorandum**

The memorandum of association and articles of association are the two charter documents, for setting up of the company and its operations thereon.

Memorandum of Association abbreviated as MOA is the root document of the company which contains all the basic details about the company. On the other hand Articles of Association shortly known as AOA is a document containing all the rules and regulations designed by the company :-

1) The memorandum contains the fundamental condition upon which alone the company is allowed to be incorporated. The articles are for the internal regulation and management of the company.

2) Memorandum defines the scope of the activities of the company, or the area beyond which the actions of the company cannot go. Articles are the rules for carrying out the objects of the company as set out in the memorandum.

3) Memorandum being the character of the company, is the supreme document. Art are subordinate to the memorandum. If any conflict between them, the memorandum prevails.

4) Every company must have its own memorandum(now The memorandum of a company shall be in respective forms specified in Tables A, B, C, D and E in Schedule I as may be applicable to such company). A company limited by shares need not have articles of its own. In such a case, Table A applies. Now specified in Tables, F, G, H, I and J in Schedule I.

5) An action of the company outside the scope of its memorandum is void and incapable of ratification. An act of the company outside the scope of its articles can be confirmed by the shareholders.

6) There are strict restrictions on its alteration. The change of name requires the prior permission of central government and change of registered office to another state requires the prior approval of the Company Law Board. Articles can be altered by a special resolution, to any extent, provided they do not conflict with the memorandum and the Companies Act.