



GOVERNMENT OF KERALA

No: PLGEA-BPE3/184/2025-PLGEA
Planning & Economic Affairs (BPE) Department
Thiruvananthapuram,
Dated:20-02-2026

CIRCULAR

Sub: Bureau of Public Enterprises – Periodic review and updation of Memorandum of Association (MoA) and Articles of Association (AoA) – Instructions issued – Reg.

Ref: Decisions taken in the Conclave of senior-level managers and MDs of PSUs .

The Memorandum of Association (MoA) and Articles of Association (AoA) constitute the foundational constitutional documents of a company and define, inter alia, its objects, scope of activities, powers of the Board and management, nature of control exercised by the Government/ Share holders , and compliance framework under applicable laws, rules and guidelines.

The Planning and Economic Affairs (BPE) Department organized a series of workshops and a high-level Conclave chaired by the Hon'ble Chief Minister to streamline policy formulation for Public Sector Undertakings (PSUs) in the State. During these deliberations, it was observed that the **Memorandum of Association (MoA)** , **Articles of Association (AoA)**. **Bye-Laws** of several PSUs, Statutory Corporations, and Boards have not been updated for long.

This lack of periodic review has resulted in inconsistencies between the stated objects of these enterprises and their current operational requirements, governance practices, and the prevailing statutory framework. Such discrepancies often lead to avoidable legal, administrative, and audit complications.

In view of the above, the following instructions are hereby issued for strict compliance by all Public Sector Undertakings (PSUs), Statutory Corporations, and Boards:

1. **Comprehensive Review:** All Enterprises shall immediately undertake a comprehensive review of their existing MoA , AoA / Bye-Laws to ensure they remain relevant and aligned with their Business, Functional, Administrative and Regulatory requirements.
2. **Key Focal Areas for Review:** Special attention must be given to the following aspects:
 - **Objects and Clauses:** Ensuring that the MoA accurately reflects the current and proposed activities of the undertaking with total clarity.
 - **Adequacy of Powers:** Verifying that the MoA and AoA provide sufficient powers for effective discharge of functions, including financial, investment, joint venture, and asset management activities.
 - **Statutory Alignment:** Aligning governance provisions in the AoA with the **Companies Act, 2013** (as amended) / Statutes, SEBI guidelines (where applicable), CAG guidelines, and prevailing Government policies.
 - **Government Control:** Clearly defining the nature of Government control regarding shareholding, appointment/removal of Directors, and matters reserved for Government approval.
 - **Regulatory Consistency:** Ensuring consistency with applicable service rules, conduct rules, and delegation of powers.
3. **Amendment Procedure:** Based on the review, PSUs shall initiate necessary actions for the amendment, alteration, or substitution of the MoA/AoA, Bye-Laws , following the due process prescribed under the Companies Act, 2013, or relevant Acts, after obtaining necessary approvals from their respective Boards, Shareholders, and the Government.

All Administrative Departments are requested to ensure that the MoA and AoA of all PSUs/ Boards/ Corporations under their jurisdiction remain relevant, periodically reviewed and updated to keep pace with evolving business requirements, governance standards and regulatory changes, so as to facilitate efficient functioning and ensure legal and statutory compliance.

All PSUs are directed to furnish a status report on the review undertaken and the action initiated in this regard to this Department within 90 days.

DR SHARMILA MARY JOSEPH
PRINCIPAL SECRETARY

To:

All Administrative Departments in Government Secretariat.
The Managing Directors/Chief Executive Officers of
all Public Sector Undertakings.
Principal Accountant General (Audit)/(A&E), Kerala,
Thiruvananthapuram.
Information & Public Relations (Web & New Media) Department
(For uploading in the official website).
Planning & Economic Affairs (BPE1 & BPE2) Department
Stock File/Office copy.

Forwarded / By order,

Signed by

Neelima G

Date: 20-02-2026 11:50:01