

Amending Your Company Constitution: ACRA's Role and the Process Explained

The company constitution serves as the legal framework governing how a business operates. It specifies the rights of shareholders, the authority of directors, and the procedures for making critical decisions. As companies expand or shift focus, the original constitution may no longer be suitable, prompting the need for amendments.

Here's a detailed guide on how to amend a company constitution in Singapore and the role of ACRA in this process.

What Is the Company Constitution?

In Singapore, every company is governed by a constitution. This document, formerly known as the Memorandum and Articles of Association, has been simplified to "the constitution" since 2014.

The constitution covers:

- Shareholder rights
- Director powers and responsibilities
- Meeting procedures
- Decision-making processes

It ensures that all parties are working from the same rulebook.

Why Amend the Constitution?

There are several reasons why a company might amend its constitution:

- Altering the board's structure
- Adding or removing classes of shares
- Revising meeting or voting procedures
- Aligning with new regulatory requirements
- Removing outdated provisions

When a business changes direction or when existing rules become impractical, updating the constitution is a logical step.

Who Can Propose Amendments?

Amendments can be proposed by any director or shareholder. However, these changes cannot be made arbitrarily. A formal process must be followed, and shareholder approval is

