

**“A QUICK GUIDE TO THE COMPANIES ACT 2016
FOR THE BUSY MANAGERS,”**

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**POWER OF REGISTRAR TO REMOVE NAME
OF DISQUALIFIED DIRECTOR**

[CA §200]

In spite of any provision in this *CA* or the constitution of a company, the Registrar has the power to remove the name of a director who has been disqualified under *CA* §198 or §199 from the register kept by the Registrar.

DIRECTORS' CONSENT

[CA §201]

A person cannot be appointed as a director of a company unless he gives his consent in writing to be a director and makes a declaration that he is not disqualified from being appointed as a director of a company under this *CA*.

NAMED & SUBSEQUENT DIRECTORS

[CA §202]

A person named as a director in an application for incorporation of a company remains as a director from the date of incorporation until he ceases to be a director in accordance with this *CA*, and all subsequent directors of a company can be appointed by ordinary resolution.

Subject to its constitution, the Board can, at any time, appoint additional directors, and those so appointed will hold office:

- (a) in the case of a public company, until the next annual general meeting; or
- (b) in the case of a private company, in accordance with the terms of appointment.

**INTERESTED DIRECTOR
NOT TO PARTICIPATE OR VOTE**
[CA §222]

A director who is directly or indirectly interested in a contract entered into or proposed to be entered must not participate in any discussion during the consideration of the contract or vote on the contract or proposed contract.

A contract is entered into in contravention of the above requirement is voidable. However, the contract may not be voidable, if the contract is in favour of a third party, who has no knowledge of the contravention.

**APPROVAL OF COMPANY IS REQUIRED
FOR DISPOSAL BY DIRECTORS
OF COMPANY'S UNDERTAKING OR PROPERTY**
[CA §223]

Directors must obtain the approval of the company for the disposal of the company's undertaking when it exceeds certain threshold.

LOANS TO DIRECTOR
[CA §224]

Generally, it is prohibited for a company to make a loan to a director of the company, or enter into any guarantee or provide any security in connection with a loan made by a director. However, this prohibition does not apply to an exempt private company.