

(b) Through private placement by complying with the provisions of Part II of this Chapter.

Explanation.—for the purposes of this Chapter, "public offer" includes initial public offer or further public offer of securities to the public by a company, or an offer for sale of securities to the public by an existing shareholder, through issue of a prospectus.

Section 24 of companies act 2013-

Power of Securities and Exchange Board to regulate issue and transfer of securities, etc.—

(1) The provisions contained in this Chapter, Chapter IV and in section 127 shall,—

(a) In so far as they relate to —

(i) Issue and transfer of securities; and

(ii) non-payment of dividend, by listed companies or those companies which intend to get their securities listed on any recognized stock exchange in India, except as provided under this Act, be administered by the Securities and Exchange Board by making regulations in this behalf;

(b) in any other case, be administered by the Central Government.

Explanation.—For the removal of doubts, it is hereby declared that all powers relating to all other matters relating to prospectus, return of allotment, redemption of preference shares and any other matter specifically provided in

this Act, shall be exercised by the Central Government, the Tribunal or the Registrar, as the case may be.

(2) The Securities and Exchange Board shall, in respect of matters specified in subsection (1) and the matters delegated to it under proviso to sub-section (1) of section 458, exercise the powers conferred upon it under subsections (1), (2A), (3) and (4) of section 11, sections 11A, 11B and 11D of the Securities and Exchange Board of India Act, 1992.

Section 33 of companies act 2013—

Issue of application forms for securities—

(1) No form of application for the purchase of any of the securities of a company shall be issued unless such form is accompanied by an abridged prospectus: Provided that nothing in this sub-section shall apply if it is shown that the form of application was issued—

(a) In connection with a bona fide invitation to a person to enter into an underwriting agreement with respect to such securities; or

(b) In relation to securities which were not offered to the public.

(2) A copy of the prospectus shall, on a request being made by any person before the closing of the subscription list and the offer, be furnished to him.

(3) If a company makes any default in complying with the provisions of this section, it shall be liable to a penalty of fifty thousand rupees for each default.

Prohibition on acceptance of deposits from public.