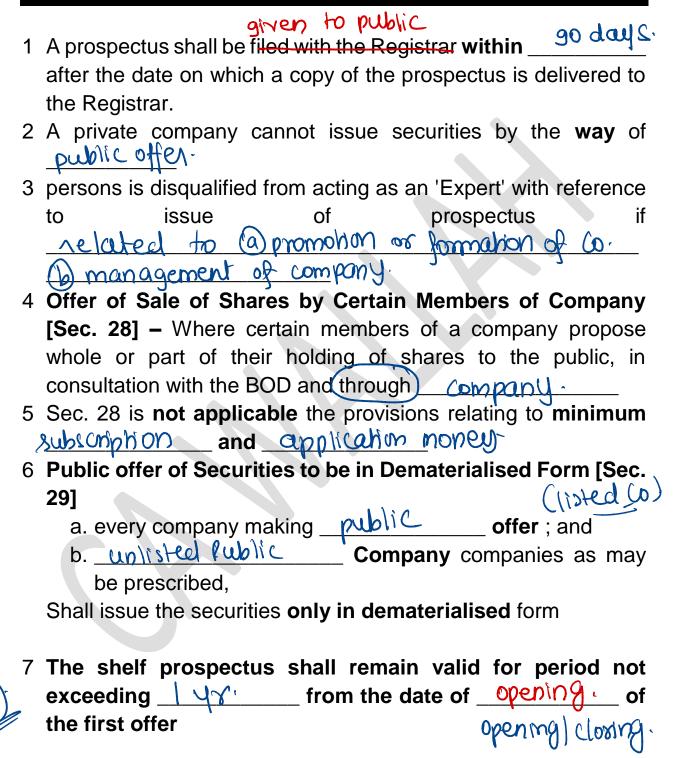
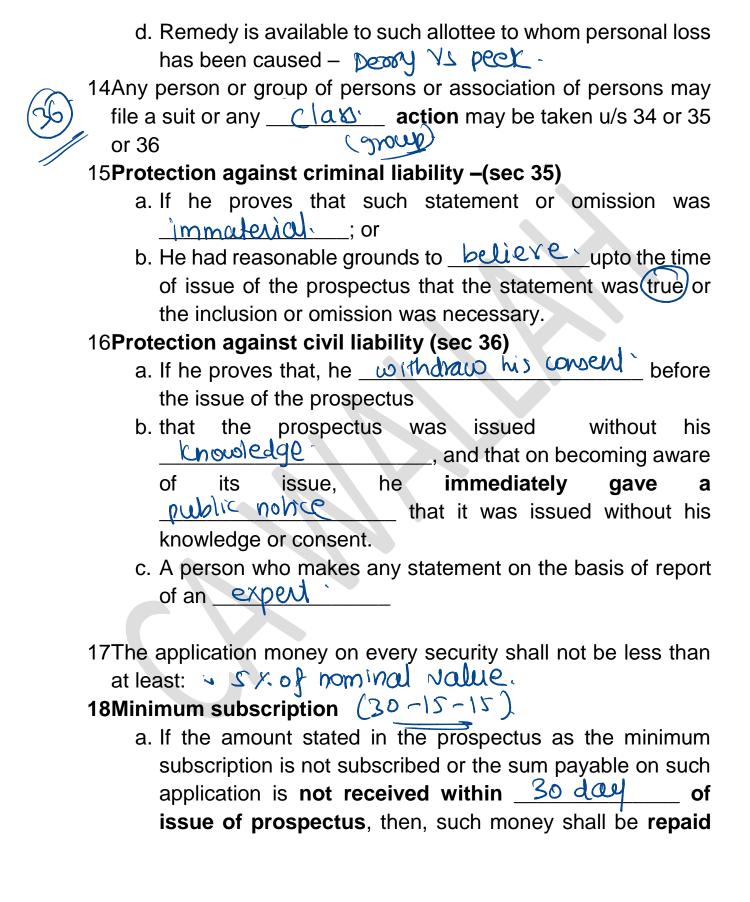
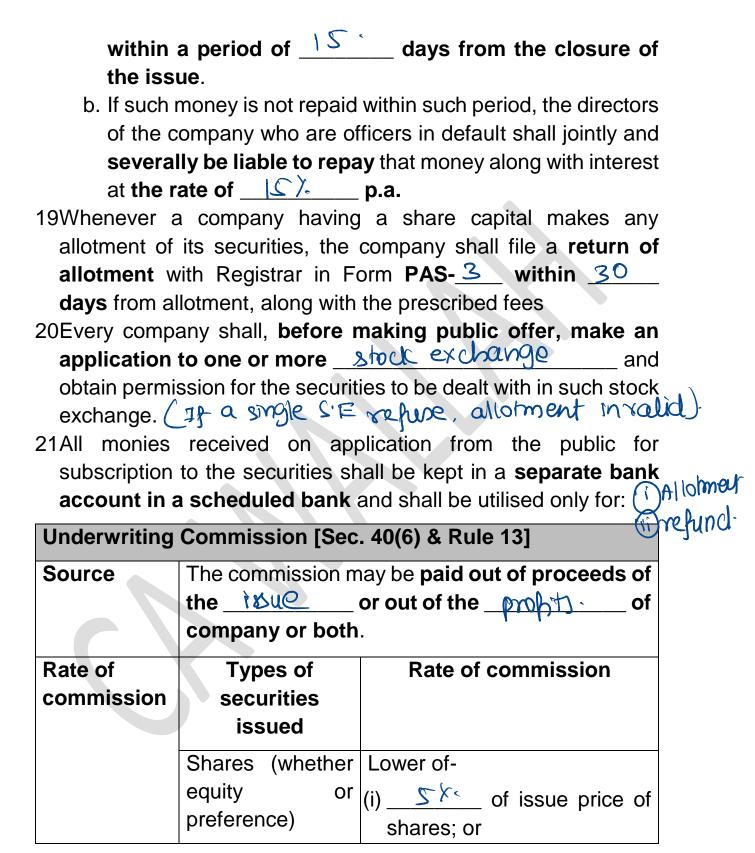
PROSPECTUS AND ALLOTMENT OF SECURITIES



and because her
8 The term <u>red heming prospectuo</u> means a
prospectus which does not include complete particulars of the
quantum or price of the securities included therein.
(6)9 A company proposing to issue a red herring prospectus shall file
it with the Registrar at least 3 days prior to the opening of
the offer. share application form
10No 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.
11Unless contrary is proved, it shall be presumed that allotment
or agreement to allot the securities as made with a view to the
securities being offered for sale to the public if it is shown:
(a) that the offer for sale to the public was made within
<u>6 mon № '</u> of allotment or agreement to allot; or
(b) that the whole consideration had not been
received by the company when the offer for sale to the
public was made.
12The document by which the offer is made, must be signed:
(i) In case of company: by directors of the
company;
(ii) In case of firm: by at least hour of the partners in the
firm. (Includes LLP)
13Name Case laws –
 a. If a person buys shares from another shareholder or
from open market/secondary market / stock exchange,
he cannot claim damages Peek Vs Gumey
b. Suppression of material fact, however remote will make the
prospectus misleading - Rex VS Kylsant
c. Remedy is available to original allottee only – ρee ζ VΔ
Gumey
(3)





		(ii)rate article	authorised	by	the
	Dobonturos	Lower			
	Debentures				
			of is	sue	price
		of deb	pentures; or		
		ii) rate	authorised	by	the
		article			
Other	(i) No underwrit	ing com	mission sha	II be	paid
compliances	on securities				
	(ii) A copy of the				
	be deliver		the	_	
	at the time of	iling o	f a copy	of	the
	prospectus w	ith the F	Registrar.		
22Private Plac	ement (Sec. 42)				
(i) Maximum	<u>200</u> in a	F.Y . [inc	dividual limit	for	each
land.	of security (equi	ty share	, preference	sha	are or
debenture.)					
excluding:		.			
(a) Qua	lified institution	ial be	<u> </u>	and	
(b) Emp	loyees of the cor	npany w	ho have be	en c	offered
securities	under	а	scheme)	of
Esc	OP .	u/s	62(1)(b).		
23No fresh off					
a. the allot	tments have been ₋	Compl	eted: ;	or	
	ffer or invitation I	nas bee	n <u>withdo</u>	alol	<u>O</u> or
24Time Limit					

a. A company making private placement shall allot the
securities within 60 dous of receiving the
<u>application</u> money for the securities.
<u>application</u> money for the securities. b. If the company is not able to allot the securities within the
said period of 60 days, it shall, within next
<u>15 dous</u> , repay the application money to the
applicants.
c. If the company fails to repay the application money within
the said period of 15 days, it shall be liable to pay interest
@% per annum from the expiry of 60 th day.
25The company is prohibited from providing 'Right of
<u>kenunualion</u> and therefore, the letter of offer and
the application form need not include any such clause.
and has alacament to
26) 100 Mi placemon.
OF B. C (in) individual of addition
26) No Prit placement to. (F) B. C (ii) individual of countries shaving bonders with India:
bonders wolling street