

Companies Act, 2013,

Section 70 - Prohibition for Buy

- (1) No company shall directly or indirectly purchase its own shares or other specified securities--
- (a) through any subsidiary company including its own subsidiary companies;
 - (b) through any investment company or group of investment companies; or
 - (c) if a default, is made by the company, in the repayment of deposits accepted either before or after the commencement of this Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company:

Provided that the buy-back is not prohibited, if the default is remedied and a period of three years has lapsed after such default ceased to subsist.

- (2) No company shall, directly or indirectly, purchase its own shares or other specified securities in case such company has not complied with the provisions of sections 92, 123, 127 and section 129.