

## Chart of Difference Between Public Company and Private Company

Basis of Difference	Public Company	Private Company
<b>Meaning</b>	A Public company is the one that is registered in the share market of the country to issue shares for the public to subscribe to them.	A private company is the one that has the minimum paid-up share capital as prescribed in the Articles of Association.
<b>Number of Owner/ Members</b>	It has a <b>minimum of 7</b> and <b>no maximum limit</b> on the number of owners/ members.	It has a <b>minimum of 2</b> and a <b>maximum of 200</b> owners/ members.
<b>Share Capital</b>	Rights of share capital and profits are distributed among all owners/members are per article of association and the <b>number of shares owned</b> by one person.	Rights of share capital and profits are distributed among all owners/members are as <b>per article of association</b> .
<b>Transfer of Share</b>	Owners/Members are <b>free to transfer</b> their share to the other person in the market.	As per the terms and conditions <b>decided in the article of association</b> . many types of restrictions are imposed by the AOA.
<b>Share Prospectus</b>	The prospectus <b>must be</b> issued to invite the public to subscribe to shares of the company.	Prospectus <b>not need</b> to be issued.
<b>Number of Directors</b>	It must have <b>at least 3 Directors</b> and it can have a maximum of 15 Numbers of Directors.	It must have <b>at least 2 Directors</b> and it can have a maximum of 15 Numbers of Directors.
<b>Name of Company</b>	The word ' <b>Limited</b> ' is used as part of the name of the company.	The word ' <b>Private Limited</b> ' is used as part of the name of the company.
<b>Funds Raising</b>	Public companies, <b>it is very easy to raise funds</b> by issuing shares to <b>the public</b> in the share market.	Possible to raise funds by issuing shares of the company with the <b>mutual consent of all members</b> of the company.
<b>Who can Subscribe the Share Capital</b>	The public <b>can</b> easily subscribe to the share of the company.	The public <b>can't</b> subscribe to the share of the company.