

SECURITIES REGISTRATION AND ISSUE REGULATIONS, 2008

In exercise of the power conferred by section 116 of the Securities Related Act, 2007, the Securities Board of Nepal hereby makes the following regulations:

CHAPTER-1 **PRELIMINARY**

1. Short title and commencement:

- (1) These regulations may be called the “Securities Registration and Issue Regulations, 2008”.
- (2) These regulations shall come into force on the date prescribed by the Securities Board of Nepal.

2. Definitions:

In these regulations, unless the subject or the context otherwise requires, -

- (a) “Act” means Securities Related Act, 2007.
- (b) “Board” means Securities Board of Nepal constituted pursuant to section 3 of the Act.
- (c) “Securities” means shares, stocks, bonds, debentures or debenture stocks issued by the body corporate or certificates related to collective investment schemes or loan certificates, saving certificates or bonds issued by the government or that issued by the body corporate under the guarantee of the government and this word shall also mean other securities designated by the Board to be tradable or transferable through Stock Exchange or the rights and entitlements relating to the securities.
- (d) “Listing” means the listing of securities at the stock exchange in order to facilitate the buying, selling and exchange of the securities through the stock exchange.
- (e) “Underwriting” means the act of undertaking responsibility, under agreement, to buy all or any unsubscribed portion of securities issued by a body corporate.
- (f) “Promoter” means a person who has signed the Memorandum and Articles of Association of the company at the time of its incorporation.
- (g) “Prospectus” means the prospectus to be published by the body corporate pursuant

to Section 30 of the Act before offering the securities for sale to the general public.

- (h) "Financial Reports" means Balance Sheet, Profit and Loss Statement, Cash Flow Statement of the body corporate and this word shall also mean the statement of changes in equity and changes in accounting policy or accounting notes related thereto.

CHAPTER- 2

PROVISIONS RELATED TO SECURITIES REGISTRATION

3. Securities to be Registered:

- (1) A body corporate incorporated as a public limited company or if incorporated in other form enabled to raise funds through the issuance of securities to the general public, shall be required to get its securities registered with the Board before issuance of the securities.
- (2) If the body corporate intends to issue the portion of securities remaining to be subscribed after being subscribed by the promoters as according to the terms of memorandum and articles of association or issues additional securities or is to sale securities to some one other than the promoters or in case securities hold by the promoters is to be sold, shall have to get the securities registered with the Board before such allotment or transfer.
- (3) While registering the securities pursuant to the Sub-regulation (2), the securities allotted to the promoters that has not yet been registered, shall also require to be registered with the Board.

4. Submission of an Application for Registration of Securities:

- (1) For the registration of securities pursuant to Regulation 3, the body corporate is required to submit an application to the Board in the format as prescribed in Schedule-1, along with cash receipt or bank voucher for registration fee as mentioned in Schedule-2.
- (2) While submitting application pursuant to Sub-regulation (1), the body corporate shall be required to submit the following information and documents:

- (a) Memorandum and Articles of Association of the body corporate if the body corporate is established under Company Act or relevant regulation and bylaws if the body corporate has been established under other special law.
 - (b) Audited report for the latest year, in case the body corporate has completed one year of operation and audited financial report for the period of operation if in operation for less than a year, and if audit is not complete, may submit the financial report verified by the management.
- (3) The application submitted pursuant to Sub-regulation (1) and the information and documents submitted pursuant to Sub-regulation (2) shall be required to be signed by the person authorized by the Board of Directors of the body corporate.

5. Registration and Issuance of Certificate:

- (1) Upon receiving the application pursuant to Regulation 4, the Board shall examine the information and documents attached thereto and shall register the securities in the register book in the format as prescribed in Schedule-3.
- (2) The Board, in course of examining the information and documents submitted with the application for registration, may require the body corporate to submit additional information or documents, seek clarification, may require making amendment or submitting information related to the issue process, method to be used for allotment as according to the type and nature of securities to be issued.
- (3) If the Board deems appropriate to register the securities and issue certificate according to these regulations, may register and issue certificate in the format as prescribed in the Schedule-4.
- (4) The Board may, considering the nature of securities, price of securities or modality of issue and target group or considering the application and the information and documents submitted pursuant to Regulation 4 or based on the process of sales of securities pursuant to Sub-section (2) of Section 30 of the Act, issue appropriate directives regarding the process of issue, allotment and distribution of the securities in order to make the securities issue and transactions fair and informed in the interest of the investors.
- (5) It shall be the duty of the body corporate to issue, allot or sale securities according

to the terms and conditions as specified by the Board pursuant to the Sub-regulation (4).

6. Provisions related to the Sales and Transfer of Securities:

The body corporate shall inform the Board with the following particulars of the securities registered under these regulations within seven days of distribution and allotment:

- (a) Allotment date, type of securities issued and number thereof.
- (b) Method of issue
- (c) Name and address of the buyer or holders of the allotted shares
- (d) Paid up value of each securities

CHAPTER 3

PROVISIONS RELATED TO THE ISSUE OF SECURITIES

7. Public Issuance of Securities:

- (1) If a Corporate Body intends to sale and distribute its securities to more than fifty persons at a time, it shall be required to make public issuance of securities. While selling securities through public offering the Corporate Body shall be required to set aside at least thirty percent of its issued capital for public subscription.
- (2) The corporate body making public issue pursuant to Sub-regulation (1) shall be required to have completed a minimum of one year of business operation under it objectives and also require to have already published the audited financial reports for the period.
- (3) The application for publicly issued shares pursuant to Sub-regulation (1) shall have citizenship certificate verified by the applicant attached thereto and also shall have to mention the name, address of the bank or financial institution where the applicant has maintained account and account number and the Issue Manager require to have arranged the refund of application money to be deposited in the bank account.

Provided, however, that applicant subscribing for more than Rs 50,000 require depositing the application money compulsorily through account payee check.

- (4) In case the application money so received has been deposited with the Banker to the Issue for interest, eighty percent of the interest so received shall be required to be given to the applicant in a proportional basis for the days from the application date to the day before the allotment date and the Board shall be informed of such arrangement.
- (5) The body corporate while making public issue of securities pursuant to these regulations may reserve up to five percent of the share to the working staffs and up to five percent for the local residents depending on the nature of business like hydropower, production or processing , out of the shares set aside for public issue. However, the shares reserved as such shall not be eligible to be sold or transferred within a minimum period of three years from the date of allotment.
- (6) Other provisions related to the public issuance shall be prescribed by the Board under its directives.
- (7) In case a body corporate has issued securities without making public issue as prescribed by these regulations such securities shall not be eligible for trading through the stock exchange or an alternative trading system.
- (8) The Issue Manager shall be required to cancel any unauthorized application that it detects to have stated false information thereon. In case the Board finds that such application is not cancelled and the securities are distributed, the Board may impose fine equivalent to the same amount on the Issue and Sales Manager. The Board is required to use the proceeds only for the development of capital market.

8. Provision related to the Issue of Securities through Circular Method:

- (1) A body corporate shall issue and sale securities by using letter or electronic means targeting to a maximum of fifty investors through the use of circular method.
- (2) While issuing shares through circular method pursuant to Sub-regulation (1), the body corporate shall be required to have obtained the resolution of the general meeting and target the sale of the securities to different associations, institutions, persons or institutional investors designated to be qualified by the Board.

9. Rights Issue of Securities:

- (1) The body corporate may increase capital through the issuance of shares to the

existing shareholders through rights issue.

- (2) While making rights issue pursuant to Sub-regulation (1), the “Provisions and Disclosures Related to the Issue of Rights Shares” drafted in the format prescribed in the Schedule-5, shall require to be signed by all of the members of board of directors and be submitted to the Board through the Issue Manager which, after getting registered with and approved by the Board, shall be published.
- (3) While issuing rights shares pursuant to Sub-regulation (1) if the rights to be exercised by the existing shareholder is to be transferred wholly or partially to other nominee, the existing shareholder shall be required to apply to the issuer body corporate in the format prescribed in Schedule-6 having fulfilled the following conditions:
 - (a) The memorandum or articles shall require to contain provision of transferring the rights of existing shareholder to other person
 - (b) The rights obtained by the shareholder shall have to be nominated wholly or partially to only one person or institution.
 - (c) Provision of applying as nominee shall have to correspond to the trading lot fixed by the stock exchange.
 - (d) Provision that a shareholder who has nominated others to exercise his / her rights shall not be a nominee to exercise the rights of others. However, those who have exercised their own rights fully may exercise the rights as nominee of others.
 - (e) The nomination of the rights shall require being in compliance to the limit of shareholding prescribed by the memorandum or articles of the company or that prescribed, if any, by the related regulator and that the nominee shall not apply for the shares including the existing shareholding that result in exceeding the said limit.
 - (f) Provision of nomination shall be made to confirm to the same groupings of ownership and representation to the board of directors, if any, and if the exercise of rights after nomination brings changes in the structure of ownership and board of directors of the body corporate, shall be required to make the changes necessary to accommodate for the ownership limits within the groups and that there should be clear provision regarding the

exercise of voting rights.

- (g) The person or the institution so nominated shall not be in the black list and shall not be having any disqualification under the prevailing laws.
- (h) Require having provision that the nominee shall exercise the rights within the period opened for rights subscription.

10. Offering of Shares by the Shareholders in the Groups other than Public:

- (1) The shares subscribed by the shareholders in the groups other than public (group of promoter and other) of the body corporate which is eligible for going public, shall not be qualified for sale unless a three years period after the allotment of such shares is complete.
- (2) If the shareholders of the groups other than public (group of promoter and other), having completed the period pursuant to Sub-regulation (1) but have not yet listed the registered shares, intend to sell their shares shall have to furnish the Board with the notice and modality of sales through the licensed share registrar, prior to seven office days of the sales.
- (3) In case the shareholders other than public (promoter and others), having fulfilled the time frame pursuant to Sub-regulation (1), intend to offer their securities to the public, shall have to fulfill the following conditions:-
 - (a) Require the body corporate to be in operation with a record of positive net profit during, at least, three out of last five years and shall require having net worth per share more than paid up value per share.
 - (b) Require to have held statutory general meeting and update audit of the financial reports.
 - (c) If the share ownership has been categorized into different groupings, the changes in the groupings shall be required through amendment in the memorandum and articles from general meeting and such resolution shall have to be recorded in the minute book.
 - (d) If the price of the securities to be issued is fixed higher than the face value, the methodology of fixation of price and basis to justify the premium requires to be mentioned.
 - (e) Requires to have complied with the regulatory provision related to the

business it conducts and directives of the regulatory body.

11. Provisions Related to New Issue (Further Public Issue):

- (1) A body corporate having issued the securities publicly and having been listed may go for new issue (further public issue) in order to raise its capital.
- (2) While making new issue (further public issue) pursuant to Sub-regulation (1) the following conditions shall have to be fulfilled:-
 - (a) Require to have a track record of net profit in the latest two years out of last five years and have net worth per share higher than paid up value (per share)
 - (b) Require to have a resolution related to the new issue (further public issue) passed by the general meeting
 - (c) If the price of the proposed issue is to be fixed higher than the face value, the methodology of fixation of price and basis and justification of the premium.
 - (d) Prospectus shall have to be published according to the Section 30 of the Act.

12. Offer Document to be Published:

- (1) In order to offer publicly the securities held by shareholders in the group other than public (group of promoter and other) of body corporate that already have made public issue, the offer document shall be required to be prepared through Issue Manager in the format prescribed in the Schedule-7 and shall be published with the approval of the Board.
- (2) If the body corporate has not yet made public offering, intends to offer securities as mentioned in Sub-regulation (1) to the public shall have to prepare the offer document having included the information mentioned in Schedule-8 and require obtaining Board's approval before the issuance and publication of the offer document.
- (3) The information mentioned in the offer document drafted pursuant to this regulation shall have to be approved by the Board of Directors of the body corporate.

13. Prospectus to be Published for Public Issuance:

- (1) A body corporate, before the issuance of its securities to the public pursuant to these regulations shall require publishing the prospectus in the format prescribed in the Schedule-9.

Provided, however, that the issuance of bonus share shall not require the publication of the prospectus.

- (2) The prospectus pursuant to the Sub-regulation (1) requires the approval of the Board before its publication.

14. Application to be submitted for the Approval of the Prospectus:

- (1) The body corporate in order to obtain the approval for the publication of prospectus for the public issuance of securities shall require applying to the Board in the format prescribed in the Schedule-10.

- (2) While submitting the application pursuant to the Sub-regulation (1), the following information and documents along with a soft copy thereof, shall be required to be submitted to the Board:-

- (a) Document to verify the Capital Structure (authorized, issued and paid up) of the body corporate,
- (b) Updated Memorandum and Articles of the body corporate,
- (c) If the body corporate has been established under other law, the regulations and bylaws there under,
- (d) Audited financial statements of the latest year
- (e) Due diligence certificate issued by the Issue Manager declaring that the draft prospectus have been prepared professionally and in compliance to the Act, these regulations and other regulations under the Act, bylaws, directives related to the issue management.
- (f) In case the securities are underwritten, a copy of the related agreement.

- (3) The Board shall start processing the prospectus only after the draft prospectus, required information and documents to be submitted to the Board pursuant to this regulation have been received.

- (4) All the members of the board of directors shall have to fix signature in the prospectus to be submitted to the Board pursuant to Sub-regulation (1).

15. Approval and Publication of the Prospectus:

- (1) The Board, upon receipt of the prospectus attached to the application pursuant to Regulation 14 shall examine the prospectus to see whether it fulfills requirements pursuant to Section 31 of the Act and if the Board is satisfied with the content and presentation of the prospectus, the Board shall approve the prospectus for its publication in the format as prescribed in the Schedule-11.
- (2) While examining the prospectus pursuant to Sub-regulation (1), the Board finds that some important information has been omitted or undesirable information has been included, the Board may notify to include required information, amend as required or change and the Board shall proceed further processing only after the receipt of the prospectus with the required amendments or changes.
- (3) The prospectus approved pursuant to Sub-regulation (1) shall remain valid for the public issuance of the securities so long as the content and information in the prospectus remain complete and accurate.
- (4) In case of changes in the disclosures made through the prospectus approved prior to the opening of subscription whether it be due to regulatory provisions or directives of the regulatory body or due to other reason, and such changes is material beyond normal course of business operation having substantial impact on the decision of investor, the prospectus shall require to be changed and amended by including such changes and the issue process shall require to start only after getting the amended prospectus approved by the Board.
- (5) Whatsoever mentioned in the Sub-regulation (4), any changes having material impact occurs accidentally or otherwise during the period of opening of public issue, the collection of the application should be on hold and the information on the event, its impact and changes shall have to be published immediately in the national daily, through the Issue Manager, for the information of the concerned investors and the Board shall have to be informed accordingly.
- (6) The collection of application shall require starting only after including the changes pursuant to Sub-regulation (5) and getting the amended prospectus approved by

the Board.

16. Announcement to be Published:

- (1) In order to issue and sale securities through the publication of prospectus or offer document, a body corporate shall have to publish announcement with information as prescribed in the Schedule-12 through the Issue Manager for public information at least in one national level daily newspaper minimum one week earlier from the date of opening of the issue and the Board shall have to be informed on such matters.
- (2) While publishing announcement pursuant to the Sub-regulation (1) or publishing issue related advertisement, the issuer, through the Issue Manager, shall be required to publish and communicate truthful and factual matters related to the issue including management, technical and economic matters. Each of such issue related notices shall have to be presented to the Board before one working day of the publication.
- (3) The prospectus, announcement, information regarding the rights issue, offer document or other documents required by the Board shall contain issue related information only and publicizing the product and services excepting the issue related notices shall be prohibited.

17. Issue Management to be done through the Licensed Securities Businessperson:

- (1) A Body corporate while making public issue of securities, rights issue of shares or making public offering of securities held by group of shareholder other than in public group shall require using the services of the Securities Businessperson licensed to function as Issue Manager.
- (2) The body corporate while using the service of the Issue Manager pursuant to Sub-regulation (1) shall require entering into an agreement with the Securities Businessperson and a copy of the agreement shall be required to be submitted to the Board within fifteen days of the date of the agreement.

18. Provision Related to Obtaining the Views/ Suggestions from Stock Exchange:

- (1) A body corporate while submitting a copy of prospectus, documents related to the

issue of rights share, offer document and other documents designated by the Board to be prepared and submitted to the Board, shall also require to submit a copy of such document to the Stock Exchange.

- (2) The Stock Exchange, within seven working days from the date of submission of the document pursuant to Sub-regulation (1), shall require giving its views/ suggestions to the Board whether the securities are qualified for listing or not under the related bylaws of the Stock Exchange.
- (3) If the views/ suggestions from the Stock Exchange are not available within the time frame pursuant to Sub-regulation (2), the Board shall assume the concurrence of Stock Exchange on the disclosures and shall approve disclosure documents for the public issue.
- (4) The body corporate shall submit a copy of approved prospectus, document related to rights issue, offer document and other documents required by the Board to be submitted to it, to the Stock Exchange.

19. Issuance of Additional Securities:

The body corporate may issue additional shares within the limit of five percent of the issued capital in case practical difficulties arise while making allotment and require flexibility. The following conditions shall be required to have fulfilled for the issuance of such additional shares:

- (a) The issuance of the additional shares shall have to be in congruence to the capital structure and composition of the board of directors of the body corporate mentioned in the Memorandum and Articles of Association.
- (b) The prospectus requires having disclosures regarding the issuance of the additional shares.
- (c) The registration fee for the additional capital shall have to be received.
- (d) Agrees to publish about issuance of additional shares and the rationale thereof publicly.

20. Value of Securities:

- (1) The face value of securities shall, generally, be Rs 100 per unit, if share, Rs 1000 per unit, if debenture, and Rs 10 per unit, if collective investment scheme.

- (2) The face value of securities other than those mentioned in Sub-regulation (1) shall be prescribed by the Board from time to time depending on the nature and volume of securities.

21. Provision relating to Processing Fee:

- (1) While submitting the prospectus, offer document, document related to the issue of rights share and other documents required by the Board to be submitted to it, a receipt or bank voucher worth of rupees twenty thousands shall be required to be submitted to the Board.
- (2) The processing fee submitted pursuant to Sub-regulation (1) shall be valid for one time approval for the issue. In case securities could not be issued within the stipulated period and has to be submitted to the Board for obtaining reapproved, shall have to submit along with the processing fee pursuant to Sub-regulation (1).

CHAPTER 4

PROVISION RELATED TO NOTICE, INFORMATION AND REPORTS

22. Financial Reports and Notices to be made Available:

- (1) The body corporate getting their securities registered with the Board according to the Act and these regulations shall require submitting annual report to the Board as prescribed in the Schedule-13, within five months from the end of the financial year.
- (2) In addition to the annual report to be submitted pursuant to Sub-regulation (1), quarterly report as prescribed in the Schedule-14 shall be required to be prepared and submitted to the Board, within a month of the end of each quarterly period and such report shall also be required to be published in the national dailies.
- (3) While preparing the financial statements under this regulation the body corporate shall be required to comply to the standards set by the Nepal Accounting Standard Board and implemented by the Institute of Chartered Accountants of Nepal according to the prevailing law, the standards set by Nepal Rastra Bank in case of Bank and Financial Institutions, the standards set by the Board for the Stock Exchange and the Securities Businesspersons and also other standards under

prevailing laws relating to accounting and financial reporting.

- (4) A body corporate that has registered securities shall be required to inform the Board about the general meeting together with the agenda prior to the general meeting is held and shall require to report the Board with the information on the agenda presented to the general meeting, subject discussed, and resolutions within thirty days of conclusion of general meeting.
- (5) A body corporate that has got its securities listed shall require informing the Board with material information on the events or transactions likely to affect the price of security listed or any event or transaction mentioned in the Schedule-15, within three days of such occurrence.
- (6) Notwithstanding anything mentioned elsewhere in this regulation, the Board may require the body corporate registering its securities or the Stock Exchange may require the listed body corporate to submit required details, notice, data or information. The body corporate shall have duty to furnish such details, notices, data, or information to the Board or related Stock Exchange.

23. Extension of Time Period to Make Disclosure:

Upon application to the Board with appropriate explanation of salient fact and circumstances for not providing the details or for not submitting the information, the Board may allow extension of the time period requiring the disclosure be made within a fixed time period so long as the Board, after examination, is satisfied that such extension will not bring adverse consequences to the Stock Exchange and the investors.

CHAPTER 5
MISCELLANEOUS

24. Issuance of Securities at Premium:

A body corporate while making public issue may issue the securities at premium. In order to issue the securities at premium, the following condition shall be required to have fulfilled:-

- (a) Shall have to fulfill the conditions prescribed by the prevailing company related law,

- (b) Securities may be issued at premium while remaining within the limit of Net Worth per Share derived from latest audit,
- (c) Outside expert or expert institution shall be required to have carried out due diligence audit about the methodology, rationale and justification of fixation of premium.

25. To be according to the Directives:

The matters related to securities registration, issue and sales, allotment, refund of application money, refund with interest for not completing allotment on time, transfer of securities and public issue, rights issue, issue through circular method, underwriting, issue and sales management of the body corporate under these regulations shall be as stipulated by the Board through the issue of directives.

26. Provision related to Restriction on Trading:

The share certificates which are locked in for a specific period of time according to this regulation shall be required to be stamped mentioning the date from and to during which the transfer is restricted.

27. Changes or Amendments in the Schedules:

The Board may change or amend the Schedules as required.

28. Repeal and Saving:

- (1) The Chapter 4 related to the Securities Registration and Issue Permission of the Securities Transaction Regulation, 1993 has been repealed.
- (2) Notwithstanding such repeal, anything done or action taken or proceedings under the said provisions pursuant to Sub-regulation (1) shall be deemed to have been done or taken under corresponding provisions under these regulations.

Schedule-1
Related to Sub-regulation (1) of Regulation 4

M/s Securities Board of Nepal

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Reference: Issuance of Certificate of Registration of Securities.

Dear Sir

.....established under theAct hereby submits this application along with Rssubmitted through Cash Receipt or Bank Voucher and requests for its securities with the following details to be registered and for issuing Certificate of Registration.

1. Brief description of the body corporate
 - (a) Name of the body corporate,
 - (b) Address: (Main Office, Registered Office, Branch Office and Liaison Office)
Telephone No..... Fax.....
Email.....Website.....
 - (c) Name and address of the body corporate, if promoter is foreign body corporate
 - (d) Date of registration of the body corporate
 - (e) Date of permission to commence business operation
 - (f) Date of commencement of business operation
2. Details regarding the promoter and their background
 - (a) Name and address of the promoters and the number of shares they hold (Serial No fromto)
 - (b) In case of promoter is a body corporate, Name and Address of the director nominated by the body corporate
 - (c) Information describing the age, academic qualification, professional experience, occupation etc of the promoters

- (d) In case promoter is a body corporate, its financial report including the main financial indicator for the last three years if in operation for more than three year and if less than three years of operation, for the life of operation and information regarding the name, address and the promoters and directors and their respective shareholdings.

3. Information Related to the Securities of the Body Corporate

- (a) Authorized capital: Total value.....ofshares ofeach
- (b) Issued capital: Total value.....ofshare ofeach
- (c) Paid up capital: Total value.....ofshare ofeach
- (d) Capital paid up by the promoters
- (e) Share capital remaining to be issued
- (f) No of shareholders as of the date (shall require mentioning according to the group, if applicable)

4. Information of the Securities to be Registered:

- (a) Type and value of the securities to be registered
- (b) Serial No. of securities: From.....To.....(shall require to mention according to the group, if applicable)

5. Information Related to the Securities Already Registered

- (a) Type of Securities Registered
- (b) No of Securities (Serial No From....to....) (shall require to mention according to the Group, if applicable)
- (c) Date of Registration

6. Information Related to the Management:

- (a) Information on the Directors (Name, Address and Shareholding)
- (b) Structure of Board of Directors
- (c) Name, address, qualification and experiences of Chief Executive bearing the main responsibility of Management and that of the Main Heads of the Departments

7. Information Related to the Issuance of Shares

- (a) Process of Issue and Sales of the proposed issue
- (b) Probable date of Public Issue and Sales
- (c) Others

8. Declaration

I, personally, undertake the full responsibility for the truthfulness of the above mentioned details and information as of the date. And also I, hereby, declare that the details mentioned in this application, to the best of my knowledge are true, factual and complete and none of the relevant details, notices and information has been concealed.

Name of authorized person

Signature

Position

Date

Seal of the body corporate

Schedule-2
(Related to Sub-regulation (1) of Regulation 4)
Securities Registration Fee

Securities Registration Fees/ Based on value of securities issue

(a)	Shares	0.20 percent
(b)	Debentures or Bonds	0.15 percent
(c)	Units under Collective Investment Schemes	0.10 percent
(d)	Other Securities	0.10 percent

Note: In case the total value of securities at the time of registration and total amount of issue differs, additional fee calculated on the rates mentioned above on the difference in value has to be submitted to the Board.

Schedule-3
(Related to Sub-regulation (1) of Regulation 5)

Securities Register Book

- (a) Name of the body corporate:
- (b) Address (Registered and Main Office, Liaison Office)
- (c) Date of Registration and date of commencement of business
- (d) Objective of the body corporate
- (e) Type of business: (Banking, Finance, Insurance, Tourism, Construction, Energy and others)
- (f) Authorized capital: Share unitsper unit price.... Total value.....
- (g) Issued capital: Share units.....per unit price....Total value...
- (h) Paid up: Share units.....per unit price....Total value.....
- (I) Preferred Share structure: Units...per unit price... Total Value...
- (j) Debentures/ Bonds: Units...per unit price....Total value...
- (k) Others
- (l) Information Related to the Promoters and Directors:
 - Name:
 - Address;
 - Units of share hold:
- (m) Information Related to Issuance of Securities
 - (i) Type of Securities:
 - (ii) Securities to be issued;
 - Units:
 - Amount
 - (iii) Modality of issue
 - (iv) Target group
 - (v) Proposed date of issue
 - (vi) In case the Board has given any directive regarding the issue and sales and

allotment of the proposed issue, such details

- (n) Details related to the Securities Previously Issued
 - (i) Issued by subscribing to the Memorandum and Articles of Associations: Serial No from...tounits....of Rs...each of amount Rs.....Date.....
 - (ii) Issued through public issuance: Serial No from...to....units..... each of Rs....of value Rs....Date.....
 - (iii) Issued through circular method: Serial no. from...to ...units... each of Rs....of amount RsDate.....
 - (iv) Bonus issue: Serial no from...to....units...of Rs...each of amount Rs.....Date.....
 - (v) Issued exclusively to the workers or employees: Serial no from...to....units....of Rseach of amount .Rs....Date...
 - (vi) Others

Schedule-4
(Related to Sub-regulation (3) of Regulation 5)

Securities Registration Certificate

This certificate has been issued to M/Shaving Head Office at.....for getting the securities issued or proposed for issue registered with the Board. The registered securities bear serial number from.....tocomprising ofunits of (type of securities) of Rs.....each.

Details of Certifying Authority

Name:

Signature:

Position:

Date:

Schedule-5
(Related to Sub-regulation (2) of Regulation 9)

Provisions and Disclosures Related to the Issue of Rights Shares

- (a) Name of the body corporate,
- (b) Registered office of the body corporate
- (c) Business location
- (d) Brief introduction and objectives of the body corporate
- (e) Capital structure
- (f) Status of paid up capital before and after the issue of rights share
- (g) Units of shares held by groups shareholders, and in case of promoters, name, address and share held by each of them
- (h) No of units and proportion of rights to be issued
- (i) The decision of general meeting regarding the issuance of rights shares and date of conclusion of the general meeting
- (j) Introduction to the Directors
- (k) Composition of the Board of Directors
- (l) Minimum no. of units of shares to be subscribed and the advance money required to be submitted with application
- (m) Provisions related to the sale of the portion of rights shares that may be left unsubscribed by the existing shareholders
- (n) Provision related to whether or not the shares may be subscribed for more than the proportion of the entitled rights
- (o) Audited financial statements of the body corporate for the last three years and projected financial statements for the coming three years along with net worth
- (p) Potential risks inherent in the business that body corporate is doing
- (q) Provisions related to the allotment of shares
- (r) Location and time for which the Memorandum and Articles of the body corporate and balance sheet, profit and loss account and auditors report may be available for examination
- (s) The details of underwriting, if applicable.

- (t) Provisions related to get the shares listed
- (u) If any pending cases or law-suits having material effect on the body corporate, such details
- (v) Main terms and conditions to be fulfilled by the subscriber to the rights shares
- (w) Terms and conditions to be fulfilled in case the rights entitled by a shareholder can be transferred in favor of a nominee
- (x) Name and address of the auditor, company secretary, expert preparing the financial projections, expert who has reviewed the basis of projection/ estimation and the methodology and expressed opinion of satisfaction, expert drafting the “ Provisions and Disclosures Related to the Issue of Rights Shares” document, and the Issue Manager
- (y) Objectives of the issuance of the rights shares
- (z) Duration open for the subscription of rights shares
- (aa) Place where application form may be obtained, application money may be deposited and application may be submitted and also place where the document prepared for the issuance of rights issue “ Provisions and Disclosures Related to the Issue of Rights Shares” may be available or inspected
- (bb) Declaration stating that the Act, Regulations, Company Act and directives issued by the regulators related to the business have been fully complied with.
- (cc) Data related to the maximum, minimum and closing market price and the number of units of securities traded during the past three years
- (dd) Name and signature of the directors who endorse the truthfulness, completeness and undertake full responsibility for any the variation in the disclosure made through the “Provisions and Disclosures Related to the Issue of Rights Shares” document.
- (ee) Declaration of the Issue and Sales Manager:
Having made analytical review of managerial, technical and financial aspects of the body corporate based on the reports and information provided to us by the issuer and its promoters/ directors and also having been convinced that financial and other statements mentioned in the “ Provisions and Disclosures Related to the Issue of Rights Shares” to be fair, complete and truthful that enable the investors to make informed investment decision and hereby issue this due diligence certificate stating that “Provision and Disclosures Related to the Issue of Rights Shares” fulfills the requirements of the Act and these regulations and submit it for the approval of the Board.

Schedule-6
(Related to Sub-regulation (3) of Regulation 9)
Format of Application for the Nomination of Rights

To the Board of Directors

.....

I/We have nominated.....resident ofto apply for subscription of.....shares out of the rights exercisable by me/ us to apply for subscription ofshares of the body corporate entitled to my/ our.....unit of shares bearing Serial No from.... to I/ We agree that my/ our nominee may subscribe for the number of shares we have nominated in accordance with the terms prescribed by the body corporate. I/ We have not / shall not lodge any complaint claiming that others can not subscribe for the rights I/ we are entitled nor shall claim that we have not nominated to subscribe for the rights and that this document shall nullify any such claims. I/We hereby request to arrange for the issuance of the said shares in the name of our nominee. This statement is truthfully executed and if found otherwise, I/ we shall bear with the terms of the law.

Details of the nominating shareholder

Name, with surname:

Address:

Father's name:

Grand Father's name:

Signature:

.....

Details of the nominee

Name with surname:

Address:

Father's Name:

Grand Father' name:

Signature:

For Office Use

The details of the authority ofLtd, verifying the signature of the nominator shareholder

Name:

Position:

Signature:

Seal of the body corporate

Schedule-7
(Related to Sub-regulation (1) of Regulation 12)
Disclosures to be made through Offer Document

- (a) Name of the Body Corporate
- (b) Registered Office of the Body Corporate
- (c) Place of business transactions
- (d) Brief introduction and Objectives of the body corporate
- (e) Capital structure (authorized, issued and paid up capital)
- (f) Minimum number of shares to be applied and application money to be submitted in advance
- (g) Composition of the board of directors
- (h) Financial statements of the body corporate for the past three years and projection for coming three years together with the net worth
- (i) Statement related to the audited balance sheet, profit and loss account of the latest year
- (j) Potential risk inherent in the business that the company is in
- (k) Provisions relating to the allotment of shares
- (l) Provisions relating to the listing of shares
- (m) Main terms and conditions that buyers of the shares should comply with
- (n) Declaration of compliance to the regulatory provisions related to the business and that the directives of the regulators have been complied with
- (o) Risk inherent in the investment in securities
- (p) Date of closure of application (earliest and the latest)
- (q) Name and address of the Issue Manager
- (r) Declaration that the promoters/ directors are not in the black list maintained by the Credit Information Center and that they are not having any disqualification
- (s) Other matters prescribed by the Board

Note: While in getting the Offer Document registered, the Issue Manager has to submit Due Diligence Certificate to the Board.

Annex-8

(Related to the Sub-regulation (2) of Regulation 12)

While drafting the Offer Document for the Issuance of Securities under the Regulations, the following particulars shall require being included:

1. Name of the body corporate
2. The legislation under which the body corporate has been established
3. Registered office of the body corporate
4. Location of Business transactions
5. Brief introduction and objectives of the body corporate
6. Capital Structure (Authorized, Issued and Paid up)
7. Minimum units of shares to be purchased and the amount to be submitted along with application
8. The date of closure of application (earliest and the latest)
9. Name and address of the Issue Manager
10. Place where the Offer Document and the application form is available and where the application may be submitted
11. Declaration of the Issue Manager

Having made analytical review of managerial, technical and financial aspects of the body corporate based on the reports and information provided to us by the issuer and its promoters/ directors we have been satisfied and convinced that financial and other statements disclosed through the Offer Document are fair, complete and truthful that enables the investors to make informed investment decision. We, hereby, submit the Offer Document to the Board for approval along with Due Diligence Certificate stating that the Offer Document fulfills the requirements of the Act and the Regulations.

12. Responsibility statement of the body corporate:
Thisaccepts no responsibility for statements or information provided otherwise than in the Offer Document, public offer, advertisement or any other material issued by or at the instance of the body corporate and that anyone placing reliance on any other source for investment would be doing so at his/ her own risk.

13. Declaration related to the promoters, directors, and chief executive:
 - (1) The promoters, directors or chief executive of the body corporate are not in the black list of the Credit Information Center.
 - (2) The directors and chief executive of this body corporate are not directors or chief executive of other black listed body corporate
 - (3) The directors or chief executive of this body corporate are not having any disqualification under the section 108 of the Securities Related Act.
14. Future Plan and Strategy:
 - (a) Description of business development plan for the growth of the business/ services of the body corporate and time bound steps taken to realize the plan.
 - (b) Prospects of business of the body corporate in the light of the competition and industry condition.
15. Provision related to the Composition of the Board of Directors and Representation.
Shall require describing the composition of the Board of Directors, qualification of directors, minimum qualifying share for the director
16. Promoters/ Directors and their Backgrounds
 - (a) Name, designation, age, nationality, address, share ownership, academic qualification, experience and experience specific to the proposed trading / business of the Basic Shareholders and Directors.
 - (b) In case promoter is a body corporate/ company, a brief profile including name and address of the body corporate / company and the name and address of the directors (until the natural person appears)
 - (c) If the director of the company is affiliated to other company, institution, fund or organization, concerned director and the name and address of the affiliate
 - (d) Mention any restriction on transfer of rights of the promoter and director
17. Transaction with Promoters / Directors
 - (a) In case the promoters / Directors received or are to receive anything (economic or non-economic) directly or indirectly, the nature and value and description of any consideration for providing such services.

- (b) The method employed for the valuation of the assets and services mentioned in (a) above.

18. Key Managerial Personnel

- (i) Name, qualification, date of joining, previous employment, details of shareholding, if any, in the body corporate of the key managerial personnel of the body corporate. In case such key personnel are basic shareholder in other listed companies or have invested in the body corporate, mention the name of the body corporate and the invested amount.
- (ii) Number of total employees mentioned as permanent, temporary, contract, wage basis and others.

19. Compensation to the directors and high level managerial manpower:

- (a) Rate of meeting allowance paid or to be paid to the Chairman and members of the Board of Directors or daily and travel allowances paid or to be paid to them and other perquisites.
- (b) Amount of remuneration paid to each of the top three officers of the managerial level of the body corporate in the last fiscal year and the name and designation of each of them
- (c) Details relating to contract with any officer or directors providing for payment of future compensation.

20. Risk faced and management's perception for risk management:

All risk borne by the body corporate or potential risk factors are to be clearly stated. For this purpose risk should be classified as those specific to the project and internal to the business and those which are external and beyond the control of the Body Corporate which mainly may but not limited to include, among others:-

- (a) Risk of insufficient resources
- (b) Risk of insufficient raw materials inputs
- (c) Existing state or potential changes in the market for the product or services.
- (d) Possibility of delay in project completion and risk of cost overrun
- (e) Currency risk

- (f) Hurdles emanating from legal processes and licensing, if required
- (g) Risks emanating from regionalization and globalization
- (h) Risk emanating from the changes in government policy and regulations and due to changes in global policy perspective
- (i) Absence of operating history
- (j) Risk due to change in technology
- (k) Others

Management's strategy for mitigating or managing the risks mentioned above should also be described.

21. Financial Information and Management Discussion and Analysis

- (a) The Offer Document shall include the Balance Sheet, Profit and Loss Account, Profit and Loss Appropriation and Cash Flow Statement.
- (b) Audited financial statement (on consolidated basis, if the body corporate has its subsidiaries) as of the three recent fiscal years. If the body corporate has been in existence for less than three years the above mentioned submission shall have to be made for the period of existence.
- (c) If the Offer Document is to be submitted after six months of completion of fiscal year, provisional financial statements for the interim period as certified by auditor.
- (d) An analysis of the reasons for the changes in significant items of the income and expenditure
- (e) A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements which may materially and adversely affect or likely to affect the trading or profitability of the body corporate or the value of its assets or ability to pay its liabilities within the next 12 months.
- (f) In case of submission of Offer Document after the end of the fiscal year, the variation of the events between the date of submission and date of approval shall be separately included in the Offer Document.
- (g) Whether any assets have been revalued during the last five years, if revalued
 - (i) Description of the asset

- (ii) The book value of the assets before and after the revaluation
 - (iii) Rationale for revaluation
 - (h) Projected Balance Sheet, Profit and Loss Account for the coming three years along with basis of projection
22. Accounting Ratios Related Description:
- (a) Earnings per share i.e. EPS for the past three years if completed three years of operation or for the period of operation and projected EPS for coming three years and per share net worth.
 - (b) Average return on net worth during the last three years.
23. Objective of issuance of securities:
The objective of issuance of securities shall be explicitly mentioned.
24. Utilization of proceed from the issuance of securities:
- (a) Shall have to describe how and in which area the proceeds from the issue shall be deployed
 - (b) Expenses relating to issue of securities through public offering, giving separately fee payable to:
 - (i) Issue Manager
 - (ii) Experts
 - (iii) Auditor
 - (iv) Others (like collection centers, issue banks etc)
25. Details relating to allotment of securities, refund and listing
- (a) The process of allotment in case of oversubscription or under subscription
 - (b) Arrangement for refund in case of oversubscription and non-allotment.
 - (c) The rate of interest to be paid in case of delay in refund of application money
 - (d) The process of allotment and distribution of certificates and time frame thereof
 - (e) The arrangement that the body corporate has made to the securities so issued are provided with facility for the purchase, sales, or exchange according to the Act and Regulations.

26. Matters requiring attention for the submission of application:
- (a) Description of Rights of the holders of securities and restrictions, if any, on those rights including voting rights, dividends, rights shares, process of bringing changes in the rights of securities holder and process of cancellation of securities.
 - (b) Description related to the place where the articles and memorandum of association and Offer Document may be inspected or obtained, mode of payment, minimum number of shares to be subscribed and multiplier, if applicable, for subscribing for more shares.
 - (c) Restrictive terms and conditions for making application including that a person can not submit more than one application, requirement to submit a verified copy of citizenships certificate/ birth certificate for the identification of the investor or the identification no. issued by the broker businessperson along with name of the businessperson and the provision relating to the requirement to transact through the bank account.

27. Related Party Transactions:

Description of any material transaction during the last two years, or any proposed transactions, between the body corporate or any of the following persons, involved in the transaction, their relationship to the body corporate, nature of their interest and value:-

- (a) any director or executive officer of the body corporate
- (b) the basic shareholder of the body corporate
- (c) any member of the family of persons mentioned in (a) and (b)
- (d) Any company or body corporate that the executive officer or the director or basic shareholder of the body corporate has shareholding with 30 percent or more of the voting rights.
- (e) Any transaction or arrangement entered into by the body corporate or its subsidiary for a person who is currently a director or any members of his/ her united family or who was director or any member of his / her united family at any time during the last three years prior to publication of the prospectus
- (f) Any loan either taken or given from or to any director or any member of the united family of the director, clearly specifying of such loans, including the amount of loan, the rate of interest applicable, date of loan taken, date of maturity shall have

to be disclosed through the offer document.

28. Foreign Investment and Management

Details of any foreign investment and management including main and material points related to the agreement between the foreigner and the body corporate.

29. Details related to consultant / expert

- (a) Name and address of experts including auditor, issue bank, expert verifying the projected financial statements to be true
- (b) Main points agreed upon between the body corporate and the experts mentioned in part (a)

30. Details related to litigation and defaults

- (a) Details of litigation filed by or against the body corporate or defaults that are likely to be significant with regard to company's liquidity, balances or operations along with discussion of management of the likely effects.
- (b) Details of litigation filed by or against the promoters / directors that could have effect on the body corporate
- (c) Name of the promoters / directors who have been black listed or convicted or punished on moral or financial offences in the past five years and name of the concerned regulatory body or court
- (d) Defaults to the bank and financial institutions, non-payment of the statutory dues and dues to the instrument holders.

31. Grievance hearing and handling process

The offer document shall require disclosing the process established for hearing and handling the grievances related to the issue.

32. Other General Information

- (a) Expert opinion obtained, if any
- (b) Changes, if any, in the directors and auditors during the last three years, and reasons thereof

- (c) Name, address and qualification of the Company Secretary
- (d) Details of the resolution of by the Board of Directors regarding the issuance of the securities,
- (e) Details regarding the special tax facilities, if any, given to the body corporate and its shareholders,
- (f) Address of the location and time that the Balance Sheet, Profit and Loss Account and Cash Flow Statement of the latest year of the body corporate may be obtained or inspected.

Annex-9

(Related to Sub-regulation (1) of Regulation 13)

Format of Prospectus

- (a) The front page of the Prospectus shall include the following information:-
1. The word “Prospectus”
 2. Name, Logo and Address of the registered office of the Body Corporate
 3. Name of the Statute and section relating to the issue of prospectus
 4. Date of approval of the prospectus from the Securities Board of Nepal
 5. Date of registration of the prospectus at the Office of the Registrar of Companies
 6. Type of security offered, total number of securities offered for subscription, number of security for the reserved category (employees, mutual fund etc) and net number of security available for public offering
 7. Face value of the security and amount called up for application
 8. Declaration on Risk on Investment
 9. Disclaimer regarding the responsibility of the regulator
 10. Date of opening of the issue
 11. Date of closing of the issue (earliest and latest)
 12. Name, address, and logo of the Issue Manager
 13. Information regarding the Net Worth
- (b) The inside cover page of the prospectus shall include the following information
1. A glossary of technical and other terms used in the prospectus
 2. Location from where the prospectus and applications may be obtained and application may be submitted
- (c) Information to be disclosed continuously starting from the second page of the prospectus
1. Declaration of the Issue Manager
 2. Declaration by the Body Corporate
 - a. Responsibility and accountability statement of the Directors
 - b. Responsibility statement by the body corporate

- c. Compliance with the regulatory requirements
- d. Declaration regarding the promoters, directors and chief executive
- 3. Information on body corporate
 - (a) Background on body corporate
 - (b) Description of property
 - (c) Future Plans and strategies
 - (d) Composition of the Board of Directors and representations
- 4. Information on the capital structure
- 5. Information on the promoters / directors
 - (a) Background of the promoters / directors
 - (b) Transactions with promoters / directors
- 6. Description on the limitation of liability
- 7. Information on personnel of the body corporate
 - (a) information on the key managerial personnel of the body corporate
 - (b) Information on the allowances and remunerations given to the directors and the key managerial personnel
- 8. Risk faced and Management's views on managing the risk
- 9. Financial statements
 - (a) Financial statements and views and analysis of management on the statements
 - (b) Information on the financial ratios
- 10. Information regarding the issuance of the security
 - (a) Objective of issuance of securities,
 - (b) Deployment of capital proceeds from the issuance of securities
 - (c) Interim use of funds before putting it in the project.
 - (d) Premium related information if being issued at premium
 - (e) Provisions related to allotment, refund and listing of securities
 - (f) Details related to underwriting
 - (g) Attention to be paid while applying
- 11. Details on Related Party Transactions
- 12. Information relating to foreign investment and management
- 13. Performance of the Issuer's securities if the body corporate is already listed

14. Promises of the past public issue and performance
15. Information related to Consultants / Experts
16. Where there are funding sources other than the public issue, for the completion of the project, such details
17. Details of litigation or defaults
18. Disclosure on Investors grievances and redress system
19. In case securities are issued otherwise than for cash, name of the person or the group, description of the assets / service purchased number of securities issued and the rate of the securities.
20. Details regarding the issuance of debentures / bonds
21. Details regarding the issuance of preference shares
22. Other general information
23. Name and signature of the directors and the experts
24. A copy of due diligence certificate presented by the Issue and Sales Manager.
25. Expert's opinion letter, if any, on the prospectus, financial statements and other matters.

Explanatory note: While drafting Prospectus, a minimum of the following particulars shall be disclosed in a simple and clear manner:

(a)8. Declaration on investment risk

Investment in securities involve a degree of risk and investors themselves shall be responsible for the assessment of risk involved thereof. The issue price of securities should not be taken as indicator of market price after the securities are listed at the exchange and the investors are advised to assess the risk factors given in page before making an investment decision.

(a)9. Disclaimer statement of the regulatory body

The Securities Board of Nepal, pursuant to the Securities Related Law, has given approval to this prospectus prepared for the public issuance of securities. It may however, be distinctly understood that by giving consent the Board, the Office of the Registrar of Companies or other related regulator do not take any responsibility for the correctness on any of the statements made through the prospectus, nor shall be assumed to have guaranteed or taken responsibility for the financial soundness of the issuer or any of its projects.

(a)13. Information Related to Net worth

In case the Net Worth is negative according to the latest audited financial statement of the body corporate, information on net worth requires being included in the front page.

(c)1. Declaration of the Issue Manager

Having made analytical review of managerial, technical and financial aspects of the body corporate based on the reports and information provided to us by the issuer and its promoters/ directors we have been satisfied and convinced that financial and other statements disclosed through the Prospectus are fair, complete and truthful that enables the investors to make informed investment decision. We, hereby, submit the Prospectus to the Board for approval along with Due Diligence Certificate stating that the Prospectus fulfills the requirements of the Act and the Regulations.

c(2)(a) Declaration related to the Responsibility and Accountability of the Directors

This prospectus has been reviewed and approved by us and we individually and collectively accept responsibility to the authenticity and accuracy of the information and statements of the prospectus, for the financial statements, information and documents provided to the Issue Manager and for the prospectus and other information and documents submitted to the Securities Board of Nepal. Having been informed of the prescribed conditions and requirements for the issuance of securities, we declare that I / We have fulfilled all the conditions and requirements and have not concealed any statements, notices or information that could be material to the investors for informed investment decision making.

c(2)(b) Disclaimer Statement by the Body Corporate

This(body corporate) accepts no responsibility for statements made otherwise than in the prospectus, offer document, advertisement or other materials published at its instance and anyone placing reliance on any other source would be doing so at his / her own risk.

c(2)(c) Statement of Compliance to Regulator's Requirement

We hereby declare that we have complied with the regulation regarding to the public issuance and other regulatory provisions and directives established by relevant

regulatory authority (e.g. Office of the Registrar of Companies, Nepal Rastra Bank, Insurance Board etc.). And we have submitted prospectus prepared for public issuance along with agreement mentioned therein and other particulars toregulatory body.

c(2)(d) Declaration regarding the Promoters, Directors, and Chief Executive

1. The promoters, directors, chief executive of this body corporate are not in a black list maintained by the Credit Information Center
2. The Directors and Chief Executive of this body corporate are not the Director or Chief Executive of other black listed body corporate.
3. The Director and Chief Executive of this body corporate have not been the Director or Chief Executive of a body corporate which has vanished or is not in operation after raising capital from public and are not among those who have committed acts adverse to the interest of the investors.
4. The director or chief executive of this body corporate are not from the director or chief executive of the stock exchange or securities businesspersons who have been penalized with cancellation of the license for the violation of securities related laws and that ten years of such cancellation has not been complete.
5. The directors or chief executive of this body corporate are not among those having any disqualification pursuant to section 108 of the Securities Related Act.

c (3)(a) Background on Body Corporate

- (a) Name of Body Corporate,
- (b) Name of the Act under which the body corporate has been established
- (c) Address of the registered office of the body corporate
- (d) Main place of business
- (e) Brief history of the body corporate from inception to-date and its main objects
- (f) Name, history and main objects of the subsidiary (ies), if any, and percentage of interest held in the subsidiary
- (g) Description on the following matters (to the extent of application)
 - (1) Types of product manufactured and services provided
 - (2) Technology used or to be used
 - (3) Any brand names, patent, trade marks, license, technical assistance

- agreements and intellectual property rights pertaining to the body corporate
- (4) Estimated market coverage by the body corporate
 - (5) Plans regarding the new product and services
 - (6) Principal markets of its product and services and modes of distribution and sales.
 - (7) Production / operation capacities and utilization status
 - (8) Sources, types and availability of the raw materials
 - (9) Quality control measures
 - (10) Research and development
 - (11) Information on any interruptions in the business which may have had a significant effect on operation of the body corporate during the past 12 months.
 - (12) Labor relationship with the unions and information on industrial disputes, if any, in the past
 - (13) Position of the body corporate in the market/ industry, players, and competition
 - (14) Description of major customers (e.g. those individually contributing to 10% or more of the turnover) and whether the Body Corporate is dependent on any major customers for business.
 - (15) Description of major suppliers (e.g. those individually contributing to 10% or more of the turnover and whether the body corporate is dependent on any major suppliers for business)

c(3) (b) Description of properties

- (a) Location of principal plants and other property of the body corporate and the condition thereof
- (b) Whether the property mentioned in point (a) above is owned by the body corporate or taken on lease, if on lease, the lease period (including dates)
- (c) If the property is owned by the body corporate, whether there is mortgage or other type of lien on the property
- (d) Any differences between the book value and the market value of the property as on the date of filing of prospectus with the Board.

- (e) Description of methodology employed for the valuation of property.

c(3)(c) Future Plans and Strategies

- (a) Description of the business development plans of the body corporate and time bound strategies to be implemented to realize the plans
- (b) Prospects of the business of the body corporate in the light of competition, prevailing economic conditions and related industry conditions.

c(3)(d) Provisions related to the Composition and Representation of the Board of Directors

Mention the Composition of the Board of Directors, Qualification for the Directors and representation of different stakeholders along with minimum number of qualifying shares for director.

c(4) Information Related to the Capital Structure

- (a) Authorized, issued and paid-up capital and changes therein since the date of incorporation, if any
- (b) Paid-up capital after the issue (according to groups, if any)
- (c) Securities Premium Account (before and after the issue)

c(5)(a) Promoters / Directors Background

- (a) Name, designation, age, nationality, address, shareholding, educational qualifications, experience and experience in proposed line of business of the substantial shareholders and the directors
- (b) If promoters are companies / institutions, their profile including name and address and name and address of the director (require mentioning companies/ institutions in lower tier until the natural person appear as promoter)
- (c) Name of the director of the issuer who holds any position in other company, institution, trust, organization and name and address of such affiliated entities.
- (d) Description regarding any restriction in the transfer of rights of the promoter / directors

c (5) (b) Transaction with Promoters/ Directors

- (a) The names of the promoters / directors, the nature and amount of anything of value (financial or non-financial) received or to be received by each promoter/director, directly or indirectly, from the body corporate and the nature and amount of any assets, services or other consideration thereof received or to be received by the body corporate shall be stated
- (b) Method used to determine the price of the assets or services mentioned in (a) above

c(6) Statements on limitation of liability

Statement in respect of liability of shareholders being limited to the maximum value of securities that has been paid up or undertaken to subscribe shall have to be disclosed.

c(7)(a) Description of High Level Managerial Personnel

- (a) Details of personnel at the high managerial level of the body corporate indicating the name, qualification, date of joining, details of previous employment and in case holding shares in the body corporate number of share held. In case such personnel hold substantial share in other listed companies or have invested in other body corporate, name of the body corporate and invested amount.
- (b) Any changes otherwise than by way of regular retirement in the high level managerial personnel during one year period prior to the date of filing of the prospectus with the Board shall be disclosed.
- (c) Number of employees: permanent, temporary, contract and others

c(7)(b) Details of compensation paid to directors and high level executives

- (a) Rate of meeting allowance to be paid or paid to the directors including chairman and the daily and travel allowances and other compensations paid to them
- (b) Amount of remuneration paid to each of the three top officers of the body corporate in a fiscal year and name and designation of each such officer.
- (c) Any contract with any officer or director providing for the payment of future compensation

c(8) Inherent Risk and Management's views on the risk management

Risk factors faced by or potential to the body corporate are to be clearly stated. Such risks should be classified as those which are internal to the body corporate or specific to the project or are external and beyond the control of the body corporate which may include, but not limited mainly to:

- (a) risk of insufficient resources
- (b) risk of insufficient raw materials
- (c) risk of market conditions and changes thereof of the product or services
- (d) potential delay in project completion and risk related to the cost overrun
- (e) currency risk
- (f) obstruction if any, due to legal requirements and obtaining license
- (g) risk borne out of regionalization and globalization
- (h) risks caused by changes in government policy and regulations and policies at the international level
- (i) absence of operating history
- (j) risk related to changes in technology
- (k) others

Management's strategy for mitigating or managing the above mentioned risks should also be described.

c(9)(a) Financial Information and Management Discussions and Analysis:

- (a) The prospectus should be presented with latest audited balance sheet, profit and loss account, profit and loss appropriation account and cash flow statement of the body corporate.
- (b) Present the audited summary financial statements including profit and loss statement and balance sheet (on consolidate basis, if the body corporate has subsidiaries) as of the three recent fiscal years of the body corporate. If the body corporate has been in existence for less than three years the above mentioned submission will have to be made for the period of existence of the body corporate.
- (c) If the prospectus is to be submitted after six months of completion of fiscal year, provisional financial statements for the interim period as certified by auditor shall

be submitted.

- (d) An analysis of reasons for the significant changes in items under the income and expenditure accounts shall also be given
- (e) A statement by the directors whether in their opinion there have arisen any circumstances since the date of last audit of financial statements affecting the trading, profitability, or the value of the assets or its ability to pay its liabilities within the next twelve months.
- (f) If the prospectus is submitted after the end of the fiscal year, information for the period after the balance sheet date to the date of approval shall be included separately in the prospectus.
- (g) Whether the assets have been revalued during the past five years and if revalued the following details:
 - (i) description of assets
 - (ii) the book value of the assets before and after the revaluation
 - (iii) rationale for revaluation
- (h) Projected Balance Sheet, Profit and Loss Account for the next three years and basis of such projections

c(9)(b) Financial Ratios:

- (a) Earnings per share (EPS) and per share net worth for last three years or for the period in which the body corporate is in operation and also require to mention the same projected ratios for coming three years.
- (b) Average return on net worth in the last three years

c(10)(a) Objects of Issuance of Securities

Require clearly mentioning the objects of issuance of securities.

c(10)(b) Deployment of the proceeds from the issue of securities

- (a) The prospectus shall describe how and in which sector the net proceeds from the issue shall be used
- (b) Alternative way out to meet the objects of the public issue if the securities publicly issued are not fully subscribed.

- (c) Location of project site, if the project is to be implemented in a phased manner, cost of each phase and if some phase has been implemented shall be mentioned.
- (d) Mention the estimated date of completion, trial production and full commercial operation of the project.
- (e) If the body corporate has purchased or is to purchase equipments, the price or proposed price of the equipment, name of the suppliers and main points of the agreement , if any, with the suppliers.
- (f) Details of patents, trademark, license, royalty, collaboration or financial or technical agreements with main conditions of the agreement and name and address of the parties concerned.
- (g) Where the project involves products, mention its nature, end use, competition, target clients, production capacity, capacity utilization in the past years and future use of the capacity shall be described.
- (h) Sources and availability of the raw materials for the project.
- (i) Sources of, and requirement for, power, water and gas for the project.
- (j) Expenses relating to public issue giving separately fee payable to the following parties:
 - i. Issue Manager
 - ii. Trustee (for debenture issue)
 - iii. Underwriter
 - iv. Experts
 - v. Auditors
 - vi. Others (e.g. collection center, banker to the issue etc)

c(10)(e) Information regarding allotment, refund and listing

- (a) Allotment process in case of over or under subscription
- (b) Provisions relating to refund in case of over subscription or on non allotment
- (c) Interest rate to be paid for delay in refund of application money
- (d) Process of allotment of securities and issuance of certificate and time frame thereof
- (e) If the securities have already been listed, name of the exchange where the securities have been listed and details on conditions to be fulfilled by the body

corporate for commencement of trading of the securities.

- (f) If the securities are not listed, the provision required for facilitating easy purchase, sales and exchange of securities to be issued by the body corporate in accordance with the prevailing securities related Act and the regulations.

c(10)(f) Underwriting related provisions:

- (a) Name and address of the underwriters of securities and quantity and value of securities to be underwritten.
- (b) Main points of agreements entered with the underwriters of securities.

c(10)(g) Points requiring attention while submitting application:

- (a) Rights of holders of securities and provisions such as those related to voting rights, dividend, rights shares, process of bringing changes in the rights of the holders of the securities and those regarding the cancellation of securities.
- (b) Details of the place to inspect Articles and Memorandum of the company, method for making payment for the purchase of securities, minimum number of securities and denomination of multiples above the minimum to be subscribed.
- (c) Restrictive conditions for submitting application including that multiple application not allowed, requirement to submit verified copy of citizenship/ birth certificate for the identification of the investor or mention client's identification number issued by the securities brokers along with the name of the businessperson and requirement to make or receive payments through bank accounts.

c(11) Related Party Transactions:

Description of any material transaction during the last two years, or any proposed transactions, between the issuer body corporate and the following party, giving the name of the person involved in the transaction, their relationship to the body corporate, the nature of their interest in the transaction and the amount:-

- (a) any director or executive officer of the body corporate,
- (b) substantial shareholder
- (c) any member of the joint family of the persons mentioned in (a) and (b) above
- (d) any company or body corporate which has shareholding with 30 percent or more

voting rights of the chief executive or director or substantial shareholder of the issuer body corporate

- (e) any transaction or agreement entered into by the body corporate or its subsidiary for a person who is currently a director or member of his/ her joint family or person who was a director or member of his joint family of the body corporate any time during the last three years prior to the publication of the prospectus.
- (f) any loans either taken from or given to any director or member of his joint family, clearly specifying details of such loan, including the amount of loan, rate of interest, date of loan taken, date of maturity of loan shall be disclosed.

c(12) Details regarding Foreign Investment and Management

Details of any foreign investment and management along with disclosure of the main and material points in the agreement.

c(13) If the issuer is already a listed company, the following particulars shall be disclosed:

- (a) highest, lowest and closing market price of the body corporate for each quarter during each of the preceding three years and number of shares traded
- (b) monthly highest, lowest and closing price for each of the six months preceding the date of filing of prospectus for registration with the Board along with the number of days trading took place and the volume of securities traded each months.

c(14) Prospect mentioned in the latest previous issue and performance

The issuer shall indicate whether the objects, plans or net profit mentioned in the previous public issue have been met or not, and if not met variation of twenty percent or more on the object, plan or net profit shall be disclosed with reasons.

c(15) Information relating to Advisors/ Experts

- (a) Name and address of auditors, principal banker, banker to the issue, expert verifying the projected financial statement.
- (b) Material terms and conditions agreed upon between the body corporate and persons mentioned in (a), above

c(17) Information on litigations and defaults

- (a) Description of all pending litigations filed by/ against the body corporate that are likely to be of material impact with regard to the liquidity, balances or operation of the body corporate along with management's opinion on potential effect of the litigation.
- (b) All pending litigations filed by or against the promoter/ directors that could have adverse effect on the body corporate.
- (c) Names of the promoters/ directors who have been blacklisted or convicted or punished for moral or economic reasons in the past five years and name of the regulatory body or court.
- (d) Defaults to the bank and financial institutions, non-payment of statutory dues and dues towards securities holders.

c(18) Investor Grievances and Redress System

The prospectus shall disclose the arrangement made by the body corporate for redressing the investor's grievances.

c(20) Information Related to the Issuance of Debt Securities:

- (a) terms and conditions of any debt securities that the body corporate is planning to issue, including the date to maturity, amount of proposed issue, whether or not the debt securities are convertible to equity, rate of interest payable, provision of redemption reserve fund and any other rights the holders of securities may have.
- (b) description of the rights of the holders of debt securities on assets of the body corporate,
- (c) name and address of the trustee and principal provisions of the trust deeds entered between the Trustee and the Body Corporate.
- (d) Issuance of convertible debt securities shall require disclosing conversion ratio, price, premium and conversion date and provision of voting rights.
- (e) Mention the object of issue of debt securities and work plan to be accomplished
- (f) Information on whether the issued capital has fully been paid-up.

c(21) Provisions related to the issuance of preference shares

If the body corporate is to issue preference share, it should have been enabled with provision in the articles of association of the body corporate and should have disclosed on the following matters:

Whether the share is redeemable or irredeemable, if redeemable the redemption period and whether the redemption is with premium or not, rate of dividend payable to the preference share and whether cumulative or not, if convertible conversion ratio, price, period along with other provisions related to conversion and condition for the exercise of voting rights by the preference shareholders and disclosure regarding that the conditions once set shall not be changed, provision of capital redemption reserve fund, whether the preference shall be given or not while company goes for liquidation.

c(22) Other General Information

- (a) Experts opinion obtained, if any
- (b) Change , if any, in directors and auditors during the last three years, and reasons thereof
- (c) Name, address and qualification of the Company Secretary
- (d) Description related to the decision of the Board on the public issue
- (e) Any special tax benefits for the body corporate or its shareholders,
- (f) Place and time where the Balance Sheet, Profit and Loss Account and Cash Flow Statement can be obtained or inspected.

Schedule-10
(Related to Sub-regulation (1) of Regulation 14)

Securities Board of Nepal

.....
.....

Reference: Approval of Prospectus

Please find this application along with prospectus prepared by(name of the issuer) for the public issue ofunits of(name of the securities) of face value..... each and other documents along with Bank Voucher worth of Rs 20,000(twenty thousands rupees) as prospectus processing fee and request for the approval of the prospectus.

Executive Chief

.....Ltd

Schedule-11

(Related to Sub-regulation (1) of Regulation 15)

Approval of Prospectus

The Securities Board of Nepal has granted approval to the prospectus prepared by with main office atfor the public issuance ofunits of(type of securities) with Rs(face value) each.

The terms and conditions applicable for the issue of (type of securities) according to the prospectus shall be as mentioned below:

Terms and conditions:

- 1.
- 2.
- 3.
- 4.
- 5.

Relevant Authority

Name:

Designation:

Signature:

Date:

Schedule-12
(Related to Sub-regulation (1) of Regulation 16

Minimum Disclosures Required in the Announcement

- (a) Date of approval of the prospectus or offer document by the Board and date of registration of the prospectus at the Office of the Registrar of Companies
- (b) Date of opening of subscription of the securities
- (c) Per unit price of securities and advance to be submitted along with application
- (d) Date of closure of application and date of earliest closure upon subscription of all issued securities
- (e) Procedure for filling-in application, Name, address, telephone number and name of contact person of banks, financial institutions and collection centers where application may be submitted and the account number with the Banker to the Issue.
- (f) Place from where the prospectus or offer document and application form shall be obtained and also the place where the financial statements of the body corporate and other relevant documents may be inspected.
- (g) Model application form for the interested investors who can not have access to the application form,
- (h) Major highlights of the prospectus or offer document approved by the Board
- (i) Provisions for hearing and redress the investor grievances related to the issue.

Schedule-13
(Related to Sub-regulation (1) of Regulation 22)

Information to be disclosed in the Annual Report

1. Report of the Board of Directors
The Report of the Board of Directors requires disclosing the matters under the prevailing laws
2. Auditor's Report
3. Audited Financial Reports
Balance Sheet, Profit and Loss Account, and Cash Flow Statement and related Schedules
4. Legal Proceedings
Whereby following law-suit has been filed, the body corporate shall disclose the date when the case is filed, the issue pertaining in the case, the name of such promoter or director and possible legal outcomes of the legal proceedings
 - (a) A law-suit filed by or against the body corporate during the quarterly period
 - (b) A law-suit filed by or against the promoter or director of the body corporate involving statutory regulations or criminal offence
 - (c) A law-suit, if any, filed against the promoter and director for committing economic crimes
5. Analysis of Stock Performance of the Body Corporate
 - (a) Management's view on the performance of the stocks of the body corporate in the Stock Exchange
 - (b) High, Low and Closing price of the stocks of the company during each quarter of the preceding year along with total volume of trading of shares and number of days traded.

5. Problems and Challenges

Require to clearly describing the problems and challenges faced by the body corporate, which should be classified into internal to the body corporate and external and the managements strategic preparedness to solve the problems and challenges.

6. Corporate Governance

Management's initiatives towards good corporate governance shall be described.

Schedule-14
(Related to Sub-regulation (2) of Regulation 22)

Information to be Disclosed in the Quarterly Report

1. **Financial Statements**

- (a) Quarterly financial report including Balance Sheet and Profit and Loss Account (Such report shall disclose this year's quarter compared with last year's quarter and the related party transactions)

Clarification: For the purpose of this part "Related Party" shall mean the person in the position of executive officer or director of the body corporate or basic shareholder and member of joint family of those persons. The word shall also mean the company or body corporate where the executive officer, director or basic shareholder holds 30 percent or more shareholding.

- (b) Shall disclose important financial ratios including Earnings per Share, P/E Ratio, Net Worth per Share, Net Asset Value per Share and Liquidity Ratios.

2. **Management's Analysis**

Shall provide the Views of Management on the development of business including the following:

- (a) An explanation of the principal reasons for the changes in balances, earnings and liquidity of the body corporate during the quarterly period.
- (b) Analytical discussion of management's plan for the business activities in the future periods
- (c) Analytical discussion of any known trends, conditions that would have a material effect on balances, profit or cash flow of the body corporate.

3. **Legal Proceedings**

Whereby following law-suit has been filed by or against the Body Corporate, shall require including date when the case was filed, the issue pertaining in the case, the names of such promoter or director and the possible outcome of the legal proceedings.

- (a) any law-suit filed by or against the body corporate,

- (b) law-suit filed by or against the promoter or director of body corporate involving violation of statutory regulations or criminal offences
- (c) law-suit filed against any promoter or director for economic offences.

4. Analysis of Stock Performance of the Body Corporate

- (a) Management's view on the performance of the stocks of the body corporate in the Stock Exchange
- (b) High, Low and Closing price of the stocks of the body corporate during the quarter along with total volume of trading of shares and number of days traded.

5. Problems and Challenges

Require to clearly describing the problems and challenges faced by the body corporate, which should be classified into internal to the body corporate and external and the managements strategic preparedness to solve the problems and challenges.

6. Corporate Governance

Describe about the management's initiatives towards good corporate governance.

7. Declaration by Chairman/ Chief Executive on the Truthfulness and Accuracy of Information

I, as at the date, hereby individually accept responsibility for the accuracy of the information and details contained in this report. Also hereby declare that to the best of my knowledge and belief, the information contained in this report is true, accurate and complete and there are no other matters concealed the omission of which shall adversely affect the informed investment decision by the investors.

Schedule-15
(Related to Sub-regulation (5) of Regulation 22)

Report on Special Events or Circumstances

<u>Serial No</u>	<u>Events Requiring Immediate Disclosure</u>
1.	Amendment to the bylaws of the body corporate
2.	Entry into material business agreement
3.	Termination of a material business agreement
4.	Information on purchase / Sales of material assets
5.	Information on creation of material obligation, guarantee or other contingent liability
6.	Information related to exit from business
7.	Information related to revaluation of assets
8.	Changes in auditor of the body corporate
9.	Any changes in the directors and principal officers of the body corporate
10.	Changes in control of the body corporate
11.	Changes in the pattern of ownership of share capital
12.	Changes in the nature of business
13.	Declaration of dividend or changes in capital structure
14.	Material modification in the rights of shareholders
15.	Shares issued in consideration
16.	Law-suit filed by or against the body corporate
17.	Notices issued by the body corporate
18.	Error found in the financial information declared previously
19.	Change in address
20.	Unable to operate business or liquidation
21.	Decision to stop registration of transfer
22.	Any abnormal event and its effect on the body corporate
23.	Annual general meeting not held within the end of six months from the close of the financial year.
24.	Notice of delisting of body corporate or failure to meet listing requirements

25. Any other event that is likely to materially impact the value of shares in the body corporate.

Explanatory notes:

The following information requires to be included while submitting disclosures related to the special events or circumstances of the body corporate.

1. Amendment to the Body Corporate Bye-laws

Whereby a body corporate amends its Memorandum of Association, Articles of Association or any other bylaws it shall disclose information including the following

- (a) effective date of the amendment
- (b) a copy of the amendment details
- (c) any other material information

2. Entry into Material Business Agreement

Whereby a body corporate enters into a material agreement, it shall disclose including the following information

- (a) date of the agreement
- (b) identity of the parties to the agreement
- (c) important terms of the agreements
- (d) submit a copy of the agreement and
- (e) any other material information

3. Termination of a Material Business Agreement

Whereby a body corporate terminates a material agreement, it shall include the following information in the disclosure

- (a) date of termination of the agreement
- (b) identity of the parties to the agreement
- (c) brief description of the important terms of the agreement
- (d) reason for the termination of the agreement
- (e) description of any material penalties incurred by the body corporate due to early termination of the agreement

- (f) any other material information

4. Acquisition and Disposition of a Material Assets

Whereby a body corporate or its subsidiary (ies) has purchased or sold material assets otherwise than in the ordinary course of business, shall provide with the following information

- (a) a copy of resolution for the purchase/ sales of the assets
- (b) date of completion of the transaction
- (c) a brief description of the assets involved
- (d) identity of the person/ entity from whom the assets were purchased or to whom the assets were sold, and description of any relationship of the body corporate or its director or high level officer with the seller/ buyer
- (e) description of any concession or rebate given or received while making the transaction
- (f) a copy of agreement, if any
- (g) any other material information

5. Description of Material Obligation, Guarantee or Contingency

Whereby a body corporate is obligated to an obligation, guarantee or contingency that is material it shall include the following information in the disclosure

- (a) date on which the body corporate becomes obligated on the financial obligation
- (b) brief description of the creation of obligation as mentioned in part (a), the agreement entered thereto, the amount of obligation and terms of payment
- (c) any other material obligation

6. Information on Exit or Disposal of Business

- (a) an estimate of total amount expected to be incurred in connection with the exit or disposal of business
- (b) any other material information

7. Information related to the Revaluation of Assets

Whereby a body corporate decides to revalue its assets, by more than 10% of the book

value of the asset, the following information shall be disclosed

- (a) description of the asset to be revalued
- (b) a copy of the resolution for such revaluation and the date of the resolution
- (c) rationale of the revaluation and mode of arriving at the revaluation figure
- (d) book value of the asset before and after the revaluation
- (e) any other material information

8. Changes in the Body Corporate Auditor

Whereby there is change in a Body Corporate Auditor, the following information shall be disclosed

- (a) name and address of the previous auditor
- (b) name, address and date of appointment of the new auditor
- (c) reason for the change of the auditor
- (d) any other material information

9. Changes in the Body Corporate Directors or Key Officers

Whereby there are appointments or departures of the Body Corporate directors or high level managers, the following information shall be disclosed

- (a) name and address of the directors and high level managers
- (b) dates when the directors and the high level managers were appointed or when they departed
- (c) any other material information

10. Changes in Control of the Body Corporate

If the change in control of body corporate has occurred, the following information shall be disclosed

- (a) identity of the person/ entity who acquired such control
- (b) date and description of the transaction which resulted in the change in control
- (c) any other material information

11. Changes in Ownership and Capital Structure

Whereby a single shareholder buys five percent or more of the total issued capital of the

body corporate, the following information shall be disclosed

- (a) name and address of the shareholder buying such shares
- (b) number and amount of shares so purchased
- (c) any other material information

12. Change in the Nature of Business

Whereby there is a proposal that affect the change in the nature of the business of a body corporate or its subsidiaries, sale of ownership by the body corporate in the subsidiary, fully or partially, or purchase of majority ownership of any other body corporate, the following details shall be disclosed

- (a) nature of the change
- (b) submit a copy of the resolution for the acquisition or disposition of the ownership
- (c) identity of the parties involved
- (d) nature and amount of consideration given or received for the purchase or sale
- (e) any other material information

13. Declaration of Dividend and Change in Capital Structure

Whereby a body corporate declares final dividend, interim dividend, or allots rights shares, declares bonus shares, shall disclose the following information

- (a) resolution of the Board of Director and date of such resolution
- (b) any other material information

14. Material Modification of Rights of Shareholders

If the rights of holders of any class of shares of the body corporate have been materially modified, the following information shall be furnished

- (a) date of the modification
- (b) title of class of securities whose rights have been modified
- (c) the effect of such modification upon the rights of such shareholder
- (d) any other material information

15. Shares Issued for Consideration

Whereby shares have been issued to any one in the form of consideration other than cash, the following information shall be furnished

- (a) identity of the party receiving the shares in the form of consideration
- (b) description of assets/ services against which the shares were issued
- (c) If there was any agreement related to the issue of share the date and main terms of the agreement
- (d) cost of the assets/ services
- (e) any other material information

16. Lawsuit filed by or Against the Body Corporate

Whereby a law-suit has been filed by or against the body corporate, or by or against the promoters and directors involving violation of statutory regulations or committing criminal offence, or cases initiated against the promoters or directors for economic offence, the details thereof. Information thus disclosed shall include the date of filing of the case, issue pertaining in the case and the name of such promoter or director, possible outcome of the case.

17. Information Issued by Body Corporate

Whereby a body corporate issues any economic, financial, management and technical data, notice or information which can have an impact on the price of securities, shall furnish information including those mentioned below

- (a) date of the issue of the information
- (b) text of the information

18. Denouncement of Prior Financial Statements

Whereby a body corporate concludes that any previously issued financial statements, covering one or more years or interim periods is no longer relied upon because of error in such financial statement, shall disclose the date of conclusion the prior issued statement are not reliable and brief description of facts underlying the conclusion.

19. Change in Address

Whereby there is change in the registered address, telephone number, fax number, main office or the office where the Securities Register is kept, the new address shall be disclosed

20. Non-viable as Going Concern and Liquidation

Events that lead the management to conclude that the going concern assumption of the body corporate is in question or the body corporate is being dissolved, the following information shall be furnished

- (a) the date of conclusion regarding such matters
- (b) facts underlying such decision
- (c) the name and identification of the proceedings, if applicable

21. Closure of Registration of Transfer

Whereby the body corporate decides to close the book for the registration of transfer, transmission or renewal or consolidation or split of securities, the details including following information shall be disclosed

- (a) decision regarding the closure of the registration of transfer and date of application of such decision
- (b) circumstances leading to such decision
- (c) the period for such closure

22. Abnormal Events and Its Effect on the Body Corporate

Whereby a body corporate has to close its business owing to natural calamities, accidents, lock-ups and any other abnormal factors, shall furnish information including the following

- (a) date of closure of business due to such event
- (b) main event leading to such closure
- (c) period for such closure

23. Annual General Meeting not held within six months from the close of financial year
If the body corporate is unable to hold its Annual General Meeting within six months from the close of the financial year, disclose the circumstances for its inability of holding the meeting.
24. Notice of delisting or failure to meet listing requirement
Where the body corporate has been delisted by the Stock Exchange or where the Body Corporate has failed to meet the continuing listing requirements, shall require disclosing information including the following:
- (a) date of delisting and name of the Stock Exchange
 - (b) reasons for being delisted or details of requirement which it has been unable to fulfill
 - (c) management's views on such event
25. Any Other Event that is Likely to Materially Impact the Value of Shares in the Body Corporate
Any other event that is not covered above but is likely to materially impact the value of securities of the body corporate shall be disclosed