GOVERNMENT OF PAKISTAN

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Islamabad, the 2nd May, 2017

NOTIFICATION

S. R. O.296(I)/2017.— In exercise of powers conferred by sections 19, 87, 88, 89, 90, 91, 94 and 95 read with section 169 of the Securities Act, 2015 (III of 2015), the Securities and Exchange Commission of Pakistan hereby makes the following regulations, the same have been previously published in the official Gazette vide Notification No.S.R.O.1139(I)/2015 dated 16th November 2015 as required by sub-section (4) of section 169 of the Act, namely:-

CHAPTER I

PRELIMINARY

1. Short title, commencement and applicability.— (1) These Regulations shall be called the Public Offering Regulations, 2017.

(2) They shall come into force at once.

(3) They shall apply to:

(i) a public limited company or body corporate proposing to issue securities to the general public;

(ii) an Offeror who intends to offer securities to the general public; and

(iii) sponsors of the public limited company or body corporate, the Consultants to the Issue, the Underwriter, the [1][Eligible Participants for Book Building], the Designated Institution, the Banker to an Issue, Investment Agent and Issuing and Paying Agent.

(4) These Regulations shall not apply to an Issue by Special Purpose Vehicle or body corporate specifically setup by the Federal Government or any provincial Government for the purpose of issue of any debt security, under any other law or offer of securities as mentioned under sub-section (4) of section 87 of the Act.

2. Definitions.— (1) In these Regulations, unless there is anything repugnant in the subject or context, –

(i) "Abridged Prospectus" means condensed form of the Prospectus containing such information and disclosures as mentioned in Second Schedule to these Regulations;

[1] Substituted for the expression "Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025

(ii) "Act" means the Securities Act, 2015 (III of 2015);

(iii) "Application Supported by Blocked Amount" means an application for subscription to shares or bidding, where money is blocked in the applicant's or bidder's respective bank account;

(iv) "Banker to an Issue" means a scheduled bank licensed by the Commission as a Banker to an Issue.;

[1][(v) "Bid" in case of shares means an intention to buy a specified number of shares at a specified price;]

[2] [(va) "Bid" in case of debt securities means an intention to buy a specified number of debt securities [(i) for a particular profit rate/spread in the case of fixed rate or floating rate instrument; or (ii) at a particular price at discount to the face value in the case of discounted rate instrument;]

(vi) "Bid Amount or Bid Money" [3][in case of shares] means the amount equal to the product of the number of shares bid for and the Bid Price;

[4][(via) "Bid Amount or Bid Money" in case of debt securities means the amount equal to the product of the number of debt securities bid for and the face value of debt security;]

[5][(vib) "Bid Amount or Bid Money" for discounted debt instrument based on realized value means the amount equal to the product of number of discounted debt instruments bid for and the bid price;]

[6][(vic) "Bid Amount or Bid Money" for discounted debt instrument based on face value means the amount equal to the product of number of discounted debt instruments bid for and the face value;]

(vii) [7][omitted]

(viii) "Bidder" means an investor who makes a bid for subscription of [8][securities] in the Book Building process;

(ix) "Bidding Period" means the period during which bids for subscription of [9][securities] are received;

(x) "Bid Price" [10][in case of shares] means the price at which Bid is made for a specified number of shares;

[11][(xa) "Bid Price" in case of discounted debt instrument means the price quoted by

1 Substituted for the text "(v) "Bid" means an intention to buy a specified number of securities at a specified price;" vide SRO 819(I)/2020 dated September 7, 2020
2 Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
3 Inserted vide SRO 819(I)/2020 dated September 7, 2020
4 Inserted vide SRO 819(I)/2020 dated September 7, 2020
5 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
7 Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
8 Substituted for the word "shares" vide SRO 819(I)/2020 dated September 7, 2020
9 Substituted for the word "shares" vide SRO 819(I)/2020 dated September 7, 2020
10 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
11 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

the bidder at a particular discount in relation to the face value]

[1][(xi) "Book Building" in case of shares means a process undertaken to elicit demand for shares under which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels;]

[2][(xia) "Book Building" in case of debt securities means a process undertaken to elicit demand for debt securities under which bids are collected from the Bidders and a book is built which depicts demand for the debt securities at different profit rate/spread[3][/price] levels;]

(xii) "Book Building Portion" means the part of the total Issue which has been allocated for subscription through Book Building;

(xiii) "Book Building System" means an online electronic system operated by the Designated Institution for conducting Book Building;

(xiv) [4][omitted]

(xv) [5][omitted]

(xvi) "Commercial Paper" means an unsecured debt security with a maturity of not less than 30 days and not more than one year;

[6][(xvia) Companies Act" means Companies Act, 2017 (XIX of 2017);]

(xvii) "Consultants to the Issue" means any person licensed by the Commission to act as a Consultant to the Issue [7][, which may also be called Lead Manager or Advisor];

(xviii) "Consolidated Bid" mean a bid which is fully or partially beneficially owned by persons other than the one named therein.

[8][(xviiia) "Cut off profit rate/spread" mean the profit rate/spread of a debt security determined on the basis of book building process.]

[9][(xviiiai) "Cut off price" means the price of a discounted debt instrument determined on the basis of book building process;]

[10][(xviiib) "Custodian" means an investment agent/debt securities trustee, Bank, Investment Finance Service license holder and Depository Company engaged in regulated activities, not being an associate of the Special Purpose Acquisition Company, appointed for securing the monies of investors in the

1 Substituted for the text "(xi) "Book Building" means a process undertaken to elicit demand for shares offered for sale through which bids are collected from the Bidders and a book is built which depicts demand for the securities at different price levels;" vide SRO 819(I)/2020 dated September 7, 2020
2 Inserted vide SRO 819(I)/2020 dated September 7, 2020
3 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
5 Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Inserted vide SRO 838(I)/2017 dated August 23, 2017
7 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
8 Inserted vide SRO 819(I)/2020 dated September 7, 2020
9 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
10 Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

escrow account;]

(xix) "Debt Securities Trustee" means a person licensed by the Commission under the Act and appointed as a Debt Securities Trustee by an Issuer [1][through execution of trust deed];

(xx) "Designated Institution" includes the securities exchange, central depository and clearing company to provide Book Building System;

[2][(xxa) "Discounted Debt Security/Instrument" means a debt security that is issued at discount to the face value;]

[3][(xxb) "Dutch Auction Method" for discounted debt instrument means the method through which the Cut off price is determined by arranging all the Bids in descending order based on the Bid Prices along with the number of debt securities and the cumulative number of debt securities bid for. The Cut-off price is determined by lowering the Bid Price to the extent that the total number of securities offered under the Book Building Portion are subscribed;]

(xxi) "Dutch Auction Method" means the method through which Strike Price is determined by arranging all the Bids in descending order based on the Bids Prices along with the number of shares and the cumulative number of shares bid for. The Strike Price is determined by lowering the Bid Price to the extent that the total number of securities offered under the Book Building Portion are subscribed;

[4][(xxia) "Escrow Account" means an account maintained with a scheduled bank (having an investment grade rating) by a custodian;]

[5][(xxib) "E-IPO Platform" means an electronic platform through which investors can submit applications for public subscription of securities electronically with payment through e-banking channels;]

[6][(xxic) "Eligible Participant for Book Building" (Eligible Participant) shall include securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing member of NCCPL.

Provided that Trading Only Securities Broker shall also be eligible to act as Eligible Participant for Book Building.

Provided further that in case of Trading Only Securities Broker, Professional clearing member shall collect the margin money from the bidders and deposit the same with NCCPL;]

(xxii) "Financial Institution" means a financial institution as defined in the [7][Companies Act];

(xxiii) "Floor Price" in case of book building means the minimum price per share

[1] Substituted for the words "of debt security" vide SRO 1383(I)/2020 December 23, 2020
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Inserted vide SRO 1214 (I)/2021 dated September 15, 2021
[5] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
7 Substituted for the word "Ordinance" vide SRO 838(I)/2017 dated August 23, 2017

set by the Issuer in consultation with Consultant to an Issue;

[1] [(xxiiia) "Green Field Project/Company" includes a company that has not commenced commercial production/operations and is executing a new project to commence operations;]

[2][(xxiiib) "Government Guaranteed Sukuk" means Sukuk issued by any corporation or body corporate owned and controlled by the Federal Government and such Sukuk is guaranteed by the Federal Government;]

(xxiv) "Green Shoe Option" means a pre-determined number of securities to be issued by the Issuer in case of over-subscription of the issue;

[3][(xxiva) "Growth Enterprise Market (GEM)" shall have the same meaning as assigned to it in the PSX Regulations;]

(xxv) "Initial Public Offering or IPO" means first time offer of securities to the general public;

(xxvi) "Institutional Investors" means any of the following entities:

(a) A financial institution;

(b) A company as defined in the [4][Companies Act];

(c) An insurance company established under the Insurance Ordinance, 2000;

(d) A securities broker;

(e) A fund established as Collective Investment Scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008;

(f) A fund established as Voluntary Pension Scheme under the Voluntary Pension System Rules, 2005;

(g) A private fund established under Private Fund Regulations, 2015;

(h) Any employee's fund established for beneficial of employees;

(i) Any other fund established under any special enactment; [5][ ]

[6][(ia) A foreign company or any other foreign legal person; and]

(j) Any other entity as specified by the Commission.

[7][(xxvii) "Investment agent means an entity that holds a valid license to act as

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Inserted vide SRO 819(I)/2020 dated September 7, 2020
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Substituted for the words "Companies Ordinance, 1984 (XLVII of 1984)" vide SRO 838(I)/2017 dated August 23, 2017
5 Deleted the word "and" vide SRO 838(I)/2017 dated August 23, 2017
6 Inserted vide SRO 838(I)/2017 dated August 23, 2017
[7] Substituted for the text "(xxvii) "Investment Agent" means an Institution licensed by the Commission as a Debt Securities Trustee and appointed by the Issuer through execution of investment agency agreement. The Investment Agent shall be

Consultant to the Issue under the Act and is appointed by the issuer through execution of issuance agreement;]

(xxviii) "Issue" means public offer of securities to the general public or a class thereof by an Issuer;

[1][(xxix) "Issuer" in relation to securities, means any person including a company, a Special Purpose Vehicle and a body corporate who has issued or proposes to issue a security and includes an Offeror;]

(xxx) "Issuing and Paying Agent" means a Financial Institution appointed by an Issuer of Commercial Paper under these Regulations as an Issuing and Paying Agent;

[2][(xxxa) "Joint Procedures" shall mean procedures notified by the Securities Exchange and NCCPL for Book Building;]

[3][omitted]

[4][(xxxii) "Limit Bid" in case of shares mean a bid placed by the bidder at a maximum price that he is willing to pay for shares under the Book Building method;]

[5][(xxxiib) Limit bid in case of debt security means a bid placed by the bidder for a particular profit rate/spread[6][/price] under the book building method.]

[7][(xxxiia) "Limited Liability Partnership (LLP)" means a partnership registered under the Limited Liability Partnership Act, 2017;]

(xxxiii) "Minimum Bid Size" means the Bid Amount equal to [8][two] million rupees under the Book Building method;

[9][(xxxiiia) "Minimum Bid Size" in case of Discounted Debt Instrument , means the Bid Amount equal to two million rupees under the Book Building method calculated using the Bid Amount based on face value;]

[10][[11][(xxxiii[b])] "Merger" means the merger, acquisition, amalgamation, combination or joining of two or more companies or other entities as may be specified by the Commission for the purpose of merger or part thereof into an existing company;]

responsible to facilitate issue and sale of Sukuk and other Shariah compliant securities under these Regulations and to safeguard interest of the holders of Sukuk and other Shariah compliant securities;" vide SRO 1383(I)/2020 December 23, 2020

1 Substituted for the words "(xxix) "Issuer" in relation to securities, means any person who has issued or proposes to issue a security and includes an Offeror;" vide SRO 838(I)/2017 dated August 23, 2017

2 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

3 Deleted the text "(xxxi) "Limit Price" means the maximum price a prospective Bidder is willing to pay for a share under the Book Building method;" vide SRO 819(I)/2020 dated September 7, 2020

4 Substituted for the text "(xxxii) "Limit Bid" means a bid by the Bidder at a Limit Price under the Book Building method;" vide SRO 819(I)/2020 dated September 7, 2020

5 Inserted vide SRO 819(I)/2020 dated September 7, 2020

6 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

7 Inserted vide SRO 838(I)/2017 dated August 23, 2017

8 Substituted for the word "one" vide S.R.O.1477(I)/2025 dated August 6, 2025

9 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

10 Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

11 Renumbered the clause vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][(xxxiiic) "NCCPL" shall mean the National Clearing Company of Pakistan Limited licensed by the Commission as clearing house under the Securities Act, 2015;]

(xxxiv) "Offeror" means any person or entity holding, directly or indirectly, such number of securities as prescribed in these Regulations and offers such securities for sale to the public or invites any other person to make subscription for such an offer and includes an Issuer;

(xxxv) "Offer Size" means the total number of securities offered for sale comprising allocation to the Book Building Portion and allocation to the retail portion, if any, excluding pre-IPO placement;

[2][(xxxva) "Offer Price" means the price per share at which shares are offered to the general public in case of Fixed Price method and the retail investors in case of the Book Building and set by the Issuer in consultation with the Consultant to the Issue;]

(xxxvi) "Offer for Sale" means an offer of securities for sale to the general public by an Offeror;

[3][(xxxvia) "Permitted Investments" means investments in Government securities, mutual funds (except equity based), money market instruments, debt securities and sukuks with investment grade ratings;]

[4][(xxxvii) "Price Band" in case of Book Building means Floor Price with an upper limit [5][decided by the CTI], allowing Bidder to make Bid at Floor Price or within the Price Band;]

[6][(xxxviia) "PRIDE" means an online interface/platform provided by the securities exchange for submission and processing of listing and prospectus application;]

[7][Omitted]

(xxxviii) "Prospectus" includes any document, notice, circular, material, advertisement, offer for sale document, publication or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a company, body corporate or entity, other than deposits invited by a bank and certificate of investments and certificate of deposits issued by non-banking finance companies;

(xxxix) "Public Offer" means offer of securities by an Issuer including an offer to the general public or a section of the public but does not include Private Offer or Private Placement;

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[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Inserted vide SRO 7(I)/2018 dated January 5, 2018
[3] Inserted vide SRO 1214 (I)/2021 dated September 15, 2021
4 Inserted vide SRO 7(I)/2018 dated January 5, 2018
[5] Substituted for the words "40% above the Floor Price" vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
7 Deleted the words "(xxxvii)"Ordinance" means the Companies Ordinance, 1984 (XLVII of 1984);" vide SRO 838(I)/2017 dated August 23, 2017

(xl) "Regulations" means the Public Offering Regulations, 2017;

[1][(xla) "REIT Regulations" means the Real Estate Investment Trust Regulations, 2022 as may be amended, replaced or substituted from time to time;]

[2][(xlb) "REIT Management Company/RMC" shall have the same meaning as assigned to it in the REIT Regulations;]

[3][(xlc) "REIT Scheme" shall have the same meaning as assigned to it in the REIT Regulations;]

(xli) "Related Employees" mean such employees of the Issuer, the Offeror,[4][] the Underwriters, and the Consultants to the Issue, who are involved in the Issue or the Offer for Sale;

(xlii) "Retail Investor" means an investor who bids for a security or make an application for subscription of a security out of the offer size allocated to the general public;

[5][(xliia) "Reverse Dutch Auction Method" means the method through which the cutoff profit rate/spread is determined by arranging all the profit rate/spread in an ascending order along with the number of debt securities and the cumulative number of debt securities bid for at each profit rate/spread. The cut off profit rate/spread is determined by increasing the profit rate/spread to the extent that the total number of debt securities offered under the Book Building portion are subscribed.]

[6][(xliib) "Secondary Public Offering or SPO" means public offer of listed securities by a listed company;]

[7][(xliii) "securities" means shares, debt securities, and units of a REIT Scheme;]

(xliv) "Schedule" means a schedule to these Regulations;

(xlv) "Secondary Public Offering" means offer of securities to the general public subsequent to IPO;

[8](xlvi) [Omitted]

[9][(xlvii) "Shariah Compliant Security" means a security structured on the basis of any of the Shariah concepts;]

[10][(xlviia) "Shariah concepts" for the purpose of these Regulations includes [11][Ijara], Musharakah, Murabahah, Modaraba, Salam and any other concept allowed

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted the words "the Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
5 Inserted vide SRO 819(I)/2020 dated September 7, 2020
[6] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[8] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
9 Substituted for the words "(xlvii) "Shariah Compliant Security" means a security structured on the basis of any of the Shariah concepts including Ijarah, Musharika, Morabiha, Modaraba, Salam and any other concept allowed by the Shariah Advisor;" vide SRO 838(I)/2017 dated August 23, 2017
10 Inserted vide SRO 838(I)/2017 dated August 23, 2017
[11] Substituted for the word "Ijarah" vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][under the Shariah];]

[2] [(xlviii) "Shariah Compliance Certificate" for the purpose of these Regulations means shariah compliance certificate obtained by the Issuer under the Shariah Governance Regulations, 2023;]

[3][(xlviiia) "Shariah Governance Regulations" means the Shariah Governance Regulations, 2023 as may be amended, replaced or substituted from time to time;]

[4][(xlix) "Shelf Registration" means an arrangement that allows the Issuer to make offering in multiple tranches through a single offering document i.e. Prospectus;]

(l) "Supplement to the shelf prospectus" means an updated condensed form of the full prospectus for inviting public subscription through subsequent tranche(s);

[5][(li) "Step Bid" in case of shares means a series of Limit Bids at increasing prices provided that Bid Amount of any step is not less than minimum bid size;;]

[6] [(lia) "Step Bid" in case of Debt Securities means a series of Limit Bids at different profit rates/spreads/prices provided that Bid Amount of any step is not less than minimum bid size;]

(lii) "Strike Price" means the price per share determined on the basis of Book Building process;

[7][(liii) "Special Purpose Vehicle (SPV)" for the purpose of these regulations means a public limited company or a body corporate registered with the Commission under the Companies (Asset Backed Securitization) Rules, 1999;]

[8][(liiia) "Special Purpose Acquisition Company" or "SPAC" means a Company formed and registered under the Companies Act, 2017, having sole principal line of business to raise money through public offering for entering into merger or acquisition transactions;]

(liv) "Sponsor" means:

(a) a person who has contributed initial capital in the issuing company or has the right to appoint majority of the directors on the board of the issuing company directly or indirectly;

(b) A person who replaces the person referred to in clause (a) above; and

[1] Substituted for the words "by the Shariah Advisor" vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Substituted for the text "(xlix) "Shelf Registration" means the sanctioned amount of securities to be issued in tranches over a period of time as specified in the Prospectus. Vide SRO 819(I)/2020 dated September 7, 2020
[5] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
7 Substituted for the words "(liii) "Special Purpose Vehicle" means a special purpose vehicle as defined in the Companies (Asset Backed Securitization) Rules, 1999;" vide SRO 838(I)/2017 dated August 23, 2017
[8] Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

(c) A person or group of persons who has control of the issuing company whether directly or indirectly.

[1][Provided that in case of REIT Scheme, Sponsor shall include the person(s) as disclosed by the REIT Management Company in the Prospectus;](lv) "Sukuk" means an instrument of equal value representing undivided share [2][ ] in ownership of the identified tangible assets, usufruct and services or in the ownership of the assets of particular projects or special investment activity;

[3][(lvi) "Tranche" means offer of a certain portion out of the total issue size as disclosed in the shelf prospectus; and]

[4][(lvia) "Units" shall have the same meaning as assigned to it in the REIT Regulations;]

(lvii) "Valuation Section" means a section in the prospectus containing the justifications given by the Consultant to the Issue in support of the offer price or Floor Price set by the Issuer [5][and disclosure of post issue Free Float as number of shares as well as in percentage].

[6][(2) Words and expressions used but not defined in these Regulations shall have the same meaning as are assigned to them in the Act, REIT Regulations, the Companies Act, the Limited Liability Partnership Act, 2017, the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), or the Partnership Act, 1932.]

CHAPTER II

GENERAL CONDITIONS

3. General Conditions for Public Offer of Securities.— (1) An Issuer shall make a public offer of securities, subject to the following general conditions, namely. –

[7][[8][omitted]

[9][(i) the Issuer has obtained approval from its Board of Directors relating to Public Offering.]

(ii) the Issuer has profitable track record for at least 2 preceding financial years from its core business activities;

[10][Provided that in case of non-compliance with profitability criteria,

1 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Deleted comma "," vide SRO 838(I)/2017 dated August 23, 2017
3 Substituted for the text "(lvi) "Tranche" means offer of a certain portion out of the total amount of securities approved by the Commission; and" vide SRO 819(I)/2020 dated September 7, 2020
4 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
5 Inserted vide SRO 7(I)/2018 dated January 5, 2018
6 Substituted for the text "Words and expressions used but not defined in these Regulations shall have the same meaning as are assigned to them in the Act, REIT Regulations, the Companies Act, or the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997)." vide S.R.O.903(I)/2026 dated May 25, 2026.
7 Inserted vide SRO 7(I)/2018 dated January 5, 2018
8 Deleted the text "(i) the Issuer shall have been in operations for at least 3 financial years;" vide SRO 1619 (I)/2019 dated December 26, 2019
9 Inserted vide SRO 819(I)/2020 dated September 7, 2020
10 Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

the sponsors of the Issuer shall retain at least 51% of the post issue paid-up capital of the company till the company reports net profit after tax for two consecutive financial years including profit from its core business activities:

Provided further that the issuer shall: (a) submit a business plan to turnaround the company into a profitable venture; and (b) disclose the following in the Risk Factors section of the Prospectus in bold language:

"The company has incurred losses in recent years (disclose actual position). The risks associated with companies that have incurred losses in recent years are comparatively higher than profitable companies. The prospective investor should, therefore, be aware of the risk of investing in such companies and should make the decision to invest only after careful due diligence. It is advisable to consult any independent investment advisor before making any investment."]

[1][Provided also that, in case, the Issuer does not have the profitable track record for at least two (02) preceding financial years from its core business activity as a company, due to its prior operations as a partnership or a limited liability partnership or a carved-out business division of a company, the profitable track record of such prior period may be considered, subject to the following conditions:

(a) the financial statements for at least two (02) preceding financial years, conform to and are revised as per the accounting framework and disclosure requirements prescribed for companies under the Third Schedule to the Companies Act and are duly audited by a Quality Control Review (QCR) rated audit firm;

(b) such financial statements shall be submitted along with the financial statements of the Issuer for the period during which it has operated as a public limited company, duly audited by a QCR rated audit firm; and

(c) the sponsors of such Issuer shall retain their entire shareholding in the company for a period of not less than two (02) years from the last date of public subscription.]

(iii) not less than 51% of the shares of the issuer are [2][cumulatively] held by same persons for at least 2 preceding financial years;

[3][Provided that this clause shall not apply in case of new issuance of shares by the issuer.

[4][Provided further that the above clauses (ii) and (iii) shall not apply in case of: (i) Green Field Project; (ii) public offering of debt security whose debt servicing is guaranteed from the Government. (iii) public offering of debt security by multilateral agencies. (iv) public offering of debt security by state owned enterprises having entity rating of BBB+ and above.]

[1] Inserted vide S.R.O.903(I)/2026 dated May 25, 2026.
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
3 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
4 Substituted for the text "Provided further that the above clauses (ii) to (iii) shall not apply in case of Green Field Project;" vide SRO 819(I)/2020 dated September 7, 2020

Provided further that Commission may consider relaxing any of the above clauses (ii) to (iii) in case of privatization of government owned entities by Privatisation Commission through capital markets.]

[1][(iv) In case of green field project[2][/company], following criteria shall be applicable:

a. Sponsors' contribution, in the form of equity in a green field project at the time of IPO, shall not be less than 51% of the entire equity and shall be retained till the commencement of commercial production.

b. In case the project requires debt financing, in addition to equity funding, financial close shall be mandatory.

c. Successful business track record of sponsors preferably running a listed company/ies, manufacturing/industrial units etc. considering various parameters such as operational profitability, operating cash flows, EPS and dividend payout etc.

d. Experience and skills of the Management to run the proposed project.

e. If required, Engineering, Procurement and Construction (EPC) contract shall be in place.

f. Land for the project, if required is acquired by the Issuer and the same is in the name of the issuer.

g. the sponsors of the Issuer shall retain at least 51% of the post issue paid-up capital till the company reports net profit after tax for two consecutive financial years including profit from its core business activities.

h. The Issuer shall disclose the following on the cover page of the Prospectus in bold language:

"It is a green field project. The risks associated with the green field project are much higher than a project that has commenced commercial production/operations. The prospective investor should, therefore, be aware of the risk of investing in such projects and should make the decision to invest only after careful due diligence. It is advisable to consult any independent investment advisor before making any investment."]

[3][Provided further that clause (ii) to (iv) above shall not be applicable in case of SPAC.]

(v) The securities shall be issued in book-entry form only;]

(2) No Issuer shall make a public offer if

1 Substituted for the text "(iv) its book value per share is not less than its face value per share;
Provided that clause (iii) above shall not apply in case of new issuance of shares;
Provided further that the above clauses (i) to (iv) shall not apply in case of Green Field Project; and" vide SRO 1619 (I)/2019 dated December 26, 2019

2 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

3 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

(i) the Issuer, its sponsors, promoters, substantial shareholders [1][and] directors [2][ ] have over dues or defaults, irrespective of the amount, appearing in the report obtained from the credit information bureau; and

[3][Provided that the clause (i) above shall not apply to the nominee director of the government and financial institution/ creditor.

Provided further that the clause (i) shall not apply to independent director.]

(ii) the Issuer or its directors, sponsors or substantial shareholders have been holding the office of the directors, or have been sponsors or substantial shareholders in any company,

(a) which had been declared defaulter by the securities exchange or futures exchange; or

(b) whose TRE certificate has been cancelled or forfeited by the securities exchange; or

(c) which has been de-listed by the securities exchange due to non-compliance of its regulations.

Provided that Commission may grant relaxation upon reasons to be recorded, and rectification of cause leading to such delisting

[4][(3) The Issuer shall appoint Consultant to the Issue, [5] [omitted] Underwriter, Balloter and Share Registrar and Banker to an Issue, where required, through separate agreements in writing.

[6][Provided that appointment of Consultant to the Issue shall not be mandatory in case of:

i. initial public offering of other class of shares by listed company

ii. secondary public offering by a listed company

iii. public offer of debt securities

1 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
2 Deleted the words "and associates" vide SRO 1619 (I)/2019 dated December 26, 2019
3 Inserted vide SRO 819(I)/2020 dated September 7, 2020
4 Substituted for the text "4[(3) The Issuer shall appoint Consultant to the Issue, Book Runner, Underwriter, Balloter and Share Registrar and Banker to an Issue, where required, through separate agreements in writing. The Book Runner, Underwriter and Balloter and Share Registrar shall be independent of the Issuer in case of issuance of equity securities.
Explanation: For the purpose of this clause, Independent means that the above regulated persons do not have any conflict of interest and relationship or connection whether pecuniary or otherwise including but not limited to shareholding, directorship and employment etc. with the issuer, its associated companies and other regulated persons involved in Public offering process:
Provided that sub-regulation (3) shall not apply to the extent if the issue or offer of securities is made simultaneously both in domestic and international markets.]" vide SRO 819(I)/2020 dated September 7, 2020
5 Omitted the words "Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

Provided further that the Commission may consider relaxing the appointment of Consultant to the Issue in case of privatization of government owned entities by Privatization Commission through capital markets

Provided further, that in case the Consultant to the Issue is not appointed by the Issuer than a specific disclosure in this context shall be made on the Cover page of the Prospectus.

Provided further, that investment finance service license holder can only act as Consultant to the Issue in case of public offering of debt securities and listings on the Growth Enterprise Market:

Provided further that Scheduled Bank and Development Finance Institution can act as Consultant to the Issue in case of public offer of equity securities, public offer of debt securities, and listings on the Growth Enterprise Market:

Provided further, that sub-regulation (3) shall not apply to the extent if the issue or offer of securities is made simultaneously both in domestic and international markets.

Provided further that the Underwriter appointed for the public offering transaction must be independent of the Issuer.]

(4) The Consultant to the Issue, [1][omitted] Underwriter and their associates shall not publish any research report by whatever name called in respect of the Issuer or Issue from the date of their appointment as Consultant to the Issue [2][omitted]and Underwriter [3][till] the date of allotment of securities to the general public [4][:

Provided that information memorandum and other marketing material may be prepared and shared with the prospective investors through private arrangement.]

(5) [5][omitted]

(6) The Consultant to the Issue may enter into separate agreements with any expert for performance of its duties;

Provided that the said agreement(s) shall not absolve the Consultant to the Issue from its obligations as specified in these Regulations and the agreement entered with the Issuer.

[6][(7) Issuer shall ensure that E-IPO system(s) areavailable for the general public/retail portion;]

(8) [7][omitted]

[8][(9)

The Issuer shall prepare the draft prospectus and advertisement, as per the following

[1] Omitted the words “Book Runner” vide S.R.O.1477(I)/2025 dated August 6, 2025

[2] Omitted the words “Book Runner” vide S.R.O.1477(I)/2025 dated August 6, 2025
3 Substituted for the word “to” vide SRO 7(I)/2018 dated January 5, 2018
4 Substituted for the semi colon “;” vide SRO 7(I)/2018 dated January 5, 2018
[5] Omitted the words “Book Runner” vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[8] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

arrangement:

o In case of Initial Public Offering of shares by unlisted company. o In case of Public Offering of debt securities, other than short term debt securities by unlisted company. o In case of Initial Public Offering of units of the REIT Scheme. o In case of Initial Public Offering by a SPAC.	The Prospectus must contain the information/reports, where applicable, as specified in the **First Schedule.**
o In case of Initial Public Offering of other class of shares by listed company. o In case of Secondary Public Offering by listed company or REIT Scheme. o In case of Public Offering of debt securities, other than short term debt securities, by listed company. Provided that a listed company not compliant with the audited accounts requirements as per the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 as may be amended, substituted or replaced from time to time, shall prepare the draft prospectus as per the requirements of the First Schedule instead of the First Schedule-A.	The Prospectus must contain the information/reports, where applicable, as specified in the **First Schedule - A**
In case of Public Offer of short-term debt securities, either through Shelf Registration or otherwise.	The Prospectus or Shelf Prospectus must contain the information/reports, where applicable, as specified in the First **Schedule-B**
Draft abridged prospectus, if any	The abridged Prospectus must contain the information/reports, where applicable, as specified in the **Second Schedule.**
Draft advertisement, if any.	The advertisement must contain the information, where applicable, as specified in the **Third Schedule.**
Draft supplement to the prospectus, in case of shelf registration.	The supplement to the Prospectus must contain the information/reports, where applicable, as specified in the **Fourth**

	Schedule.
Draft Supplement to the Prospectus in case of shelf registration involving debt securities.	The Supplement to the Prospectus must contain the information/reports, where applicable, as specified in the **Fourth Schedule-A**

Provided that the Issuer shall follow the instructions specified in the **First Schedule-C** for drafting prospectus.]

[[1](9a) The Issuer and the Consultant to the Issue, if any, shall ensure that all applicable disclosures as prescribed under respective Schedules are made in the draft Prospectus.

Provided that it shall be the responsibility of the Issuer and the Consultant to the Issue, if any, to ensure the quality and accuracy of the disclosures made in the Prospectus.]

(9b) In case, some disclosures are not applicable to a particular issue, the Issuer and Consultant to the Issue, if any[2][,] shall report the same to the [3][Securities Exchange and the] Commission along with rationale.]

(10) The language of the draft prospectus should be simple, plain, clear, precise and easily understandable.

(11) [4][omitted]

(12) [5][omitted]

(13) [6][omitted]

(14) [7][omitted]

(15) [8][omitted]

(15a) [9][omitted]

(15b) [10][omitted]

(16) [11][omitted]

(17) A company may issue securities outside Pakistan subject [12][to] prior approval of the Commission under section 95 of the Act and payment of non-refundable fee of one million rupees and submission of such documents as prescribed in Sixth Schedule.

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[8] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[9] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[10] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[11] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
12 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019

(18) Securities of any company established outside Pakistan can be offered for sale to the public under sections 87 and 88 of the Act read with [1][section 446 and 447 of the Companies Act].

Provided such foreign company is compliant with the provision of Part [2][XII of the Companies Act], these Regulations and meets requirements of regulations of the securities exchange for listing of companies and securities.

(19) [3][omitted]

[4][(20) the Issuer, the Consultant to the Issue, the Underwriter, [5][omitted]and the Designated [6][Institution] shall maintain record of the issue for a period of at least ten years from the closing of the public subscription.]

(21) The offer size and allocation of capital to the general public shall be as per the requirements of the relevant regulations of the securities exchange.]

[7] [**3A. Regulatory Review Process for Public Offer of Securities (refer First Schedule-E)**.- (1) The Issuer itself or through its Consultant to the Issue, if any, shall simultaneously submit complete listing application and Prospectus application signed by the Chief Executive Officer of the Issuer and/or Consultant to the Issue through PRIDE, for approval of the Securities Exchange and the Commission respectively.

(i) The listing application shall be submitted for approval of the Securities Exchange under section 19 of the Act read with relevant regulations of the Securities Exchange, and include the draft Prospectus and such other information/documents as may be required by the Securities Exchange under its regulations.

(ii) The Prospectus application shall be submitted for approval of the Commission under section 87 and 88 of the Act and contain all information/documents as specified under the Eighth Schedule of these Regulations.

(2) On receipt of the complete applications through PRIDE, the Securities Exchange shall place the draft Prospectus on its website for a period of five (5) working days to seek public comments thereon. During this period, the Securities Exchange and the Commission shall review the respective applications and communicate any comments/deficiencies along with any public comments, to the Consultant to the Issue and/or Issuer, for resolution.

(3) Upon placement of the draft Prospectus on the website of the Securities Exchange, the Issuer and the Consultant to the Issue, if any, shall also place the draft Prospectus on its website(s).

1 Substituted for the words “Sections 461 and 462 of the Ordinance” vide SRO 838(I)/2017 dated August 23, 2017
2 Substituted for the words “XIV of the Ordinance” vide SRO 838(I)/2017 dated August 23, 2017
3 Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Substituted for the text “(20) The percentage utilization of the excess IPO proceeds, in case the Strike Price is determined above the Floor Price.” Vide SRO 819(I)/2020 dated September 7, 2020
5 Omitted the words “the Book Runner” vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Substituted for the word “institution” vide S.R.O.1477(I)/2025 dated August 6, 2025
7 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

(4) The Consultant to the Issue and/or the Issuer (as applicable) shall, within a period of five (5) working days from receipt of the comments/deficiencies/public comments from the Securities Exchange and the Commission, address the comments/deficiencies/public comments to the satisfaction of the Securities Exchange and the Commission, and submit revised updated draft Prospectus incorporating any missing disclosures and other documents to the Securities Exchange and the Commission

(5) The Issuer/Consultant to the Issue (as applicable), shall also submit a due diligence certificate duly signed by the chief executive officer, as per First Schedule-D, certifying that all deficiencies/comments have been addressed.

Provided that any deficiencies/comments not addressed by the Issuer and/or Consultant to the Issue (as applicable) in the updated draft Prospectus, shall be highlighted in the due diligence certificate along with the rationale for not addressing the same:

Provided further that Issuer shall provide due diligence certificate, where the Consultant to the Issue is not appointed by the Issuer.

(6) On receipt of the due diligence certificate, the Securities Exchange shall convey its decision on the listing application including draft Prospectus to the Consultant to the Issue, Issuer and the Commission, within a period of two (2) working days.

(7) In case of approval by the Securities Exchange, the Commission shall convey its decision to the Consultant to the Issue, Issuer and the Securities Exchange, within a period of two (2) working days.

Provided that the regulatory timelines are subject to submission of complete application including a well-drafted Prospectus with complete and accurate disclosures, and timely resolution of deficiencies/comments by the Issuer/Consultant to the Issue (as applicable):

Provided further that while processing any application submitted by the Issuer itself or through its Consultant to the Issue, the Securities Exchange and the Commission shall examine the proposed issue from various aspects including eligibility requirements and suitability of the Issuer or security for listing, considering the interest of general public and its benefits to the capital market. In order to assess the suitability aspect, the Securities Exchange and the Commission shall ensure that the Issuer has made all such disclosures as are necessary to comply with the requirements of sub-section 4(a) of Section 20 read with Section 22 of the SECP Act, 1997:

Provided further that in case application for listing is refused by the Securities Exchange, the Issuer itself or through its Consultant to the Issue, if any, may file a petition before the Commission within thirty (30) days of such refusal.

(8) Regulatory approval relating to supplement to the Prospectus in case of shelf registration involving debt securities, shall be processed as under:

(i) In case there is no material change in the business model, utilization of proceeds and the financial performance of the Company, since publication of the shelf Prospectus/last supplement to the shelf Prospectus, the Issuer shall submit undertaking to the Securities Exchange and the Commission through PRIDE confirming the same

along with a copy of the supplement to the Prospectus, The Issuer shall proceed further with the public subscription on submission of these documents and no further approval shall be required; and

(ii) In case there is a material change in the business model, utilization of proceeds and/or financial performance of the Company, since publication of the shelf Prospectus/last supplement to the shelf Prospectus, the Issuer shall be required to submit supplement to the shelf Prospectus for approval of the Securities Exchange and the Commission, and same shall be processed within seven (7) working days.

(9) Non-compliance with any of the conditions imposed by the Securities Exchange and the Commission while granting approval for the listing application and/or issuance, circulation and publication of the Prospectus shall be considered as a violation of the Act.

(10) Any change in the Prospectus subsequent to its approval by the Commission and prior to its publication, shall be made only with prior written approval of the Securities Exchange and the Commission:

Provided that minor change(s) including but not limited to typographical and numerical errors shall be exempted from said requirement.

The Issuer/Consultant to the Issue shall submit revised Prospectus, including any such changes, to the Securities Exchange and the Commission for record.

(11) Any change in the Prospectus subsequent to its publication, shall be made only with the prior written approval of the Securities Exchange and the Commission and such change shall be disseminated to the public through publication of addendum to the Prospectus in at least all those newspapers and websites in which the Prospectus was published earlier;

Provided that minor change(s) including but not limited to public subscription dates, book building dates, typographical and numerical errors, shall be exempted from said requirement. The Issuer/Consultant to the Issue shall submit revised Prospectus, including any such changes, to the Securities Exchange and the Commission for record:

Provided further that before publication of addendum to the Prospectus, the Issuer shall report all minor changes made in the Prospectus to the Commission and the Securities Exchange.

(12) After approval of the Prospectus by the Commission, the Issuer itself or through its Consultant to the Issue, if any, shall seek from the Securities Exchange, the dates for the publication of Prospectus, bidding dates (where applicable) and public subscription dates. The Securities Exchange shall grant dates within one (1) working day from the date of application.

(13) After inserting the dates of bidding period (where applicable) and subscription period, final copy of the approved Prospectus shall be kept placed on the website of the Issuer (till the life of the Company), the Securities Exchange and the Consultant to the Issue, if any.

(14) The Prospectus shall be issued, circulated and published not less than seven (7) days and not more than thirty (30) days before commencement of the public subscription.

(15) The Prospectus as approved by the Commission or abridged version of the Prospectus as per the Second Schedule to these regulations shall be published in at least one English and one Urdu daily newspaper.

Provided that contents of the abridged version of the Prospectus cannot be varied from the Prospectus approved by the Commission.]

CHAPTER III

Public Offer of Shares

4. Methods for public offer of shares: An Issuer including an Offeror may make public offer of shares as per any of the method given below:

(1) **Fixed Price Method**: Under the fixed price method, the offer price is set by the Issuer in consultation with the Consultant to the Issue.

(2) **Book Building Method:** Book building is a mechanism of price discovery of shares through [1][Bidders who make Bids at Floor Price or within the Price Band]. Bids received are listed in descending order of price evidencing demand at different price levels [2][at Floor Price or within the Price Band] . A Strike Price is arrived at through Dutch Auction Method.

5. Conditions for public offer of Shares.- An Issuer shall comply with the following conditions, namely,-

(1) The sponsors of the Issuer shall retain their entire shareholding in the company for a period of not less than twelve months from the last date for public subscription or in case of green field projects from the date of commencement of commercial operations or production by the company, whichever is later;

(2) The sponsors of the Issuer shall retain not less than twenty five percent of the paid up capital of the company for not less than three [3][omitted] years from the last date for the public subscription or, in case of green field projects, from the date of commencement of commercial operations or production by the company, whichever is later;

[4][Provided that sub regulation (1) and (2) shall not apply in case of: (i) secondary public offering; and (ii) initial public offering of other class of shares by listed companies.]

(3) The shares of the sponsors mentioned at (1) and (2) above shall be kept unencumbered in a blocked account with central depository;

(4) Subject to compliance with sub-regulation (1) and (2) above, and with the approval of the securities exchange, the sponsors of the Issuer may sell their shareholding through block-sale to any other person who shall be deemed sponsor for the purposes of these Regulations. Any such person and its directors, sponsors and substantial shareholders shall comply with conditions as stipulated in sub regulation (1) of regulation 3 above;

[5][Provided that a sale of at least 5% of the post issue paid up capital or Rs. 50 million,

1 Substituted for the words “bidders who make bids not below the Floor Price” vide SRO 7(I)/2018 dated January 5, 2018
2 Substituted for the words “at or above the Floor Price” vide SRO 7(I)/2018 dated January 5, 2018
[3] Omitted the word “financial” vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Inserted vide SRO 819(I)/2020 dated September 7, 2020
[5] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

whichever is lower, shall constitute a block sale during the lock-in period.]

(5) The issuer may allot shares on account of preferential allocation to its employees at the same price at which shares are offered to the general public;

(6) [1][omitted]

[2][omitted]

CHAPTER IV

Offer of shares through fixed price method

6. Conditions for public offer of shares through fixed price method.- In addition to the conditions as mentioned at regulation 5 above, an Issuer shall comply with the following conditions, namely,-

[3][(1) The Issuer shall decide the offer price in consultation with the Consultant to the Issue, if any. The Consultant to the Issue, if any or the Issuer shall provide explanations in support of the offer price under a separate section titled as "Valuation Section" of the prospectus.]

[4] [Provided that the offer price shall be justified in the Prospectus using appropriate valuation models, including the Discounted Cash Flow (DCF) Model, Dividend Discount Model (DDM), and/or Gordon Growth Model (GGM):

Provided further that a disclaimer shall be added in the Prospectus stating that "*the offer price is set by the Issuer and Consultant to the Issue using appropriate valuation models, and that the Commission and Securities Exchange have neither assessed nor validated the pricing or the underlying valuation model. The Commission and Securities Exchange do not assess, validate or endorse the price of a transaction, as pricing is purely a function of market forces.*"]

(2) The public offer under the fixed price method shall be fully underwritten.

(3) An issuer shall issue shares to the general public at the price not higher than the price at which the shares were issued to investor during the period of six months prior to the date of public subscription.

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[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

2 Deleted the text "(ii) the Issuer shall before making the offer of shares to the public, provide the Commission a certificate from Consultants to the Issue confirming that,-
(a) viability of the financial plan as disclosed in the prospectus has been carried out considering overall fund raising avenues, proceed utilization, time involved etc.
(b) various components of financial plan have been verified by the auditors;
(c) shares allocated to sponsors, foreign and local investors, if any, have been fully paid for;
(d) land for the project, where required, has been acquired and is in the name of Issuer; and
(e) irrevocable letter(s) of credit, where required, has been opened.
(iii) the Consultant to the issue shall verify implementation status of the project, as disclosed in the prospectus, by obtaining a report from an independent valuer; and
(iv) The Issuer shall submit, progress report on implementation of the project on quarterly basis till commencement of the commercial production or operations of the project, to the Commission for information and the securities exchange for public dissemination." Vide SRO 1619 (I)/2019 dated December 26, 2019

3 Substituted for the text "(1) The Issuer shall decide the offer price in consultation with the Consultant to the Issue. The explanations given by the Consultant to the Issue in support of the offer price set by the Issuer shall be provided under a separate section titled as "Valuation Section" of the prospectus." Vide SRO 819(I)/2020 dated September 7, 2020

[4] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][Provided that right shares issued during the last six months shall not be considered for the purpose.]

[2][(4) [3][omitted]

(5) [4][omitted]

[(6) [5][omitted]

(7) [6][omitted]

(8) [7][omitted]

[8][(9) The general public shall submit application for the subscription of shares in physical form to the Banker to an Issue or electronically through e-IPO platform;

Provided that physical application can only be submitted by the Institutional Investors and shall be duly accompanied by a crossed cheque or demand draft or pay order in the name of the Issuer or evidence of direct debit of subscription money from the applicant's bank account or blocking of the subscription money in the applicant's bank account:

Provided further that submission of physical applications by all types of investors shall be discontinued from September 1, 2025, after which all applications shall be submitted only through e-IPO platforms.]

(10) Within [9][five (5) working] days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

(11) [10][omitted]

CHAPTER V

Public Offer of shares through book building method

7. Conditions for offer of shares through Book Building: In addition to the conditions as mentioned at regulation 5 above, the Issuer shall comply with the following conditions, namely:

(1) The offer Size is not less than twenty five million shares and two hundred fifty million rupees or such higher number of shares and amount as may be specified

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Substituted for the text "(4) After approval of the prospectus by the Commission, the Consultant to the Issue shall seek from the securities exchange the dates for the publication of prospectus and the subscription period." Vide SRO 819(I)/2020 dated September 7, 2020
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[8] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[9] Substituted for the digit "5" vide S.R.O.1477(I)/2025 dated August 6, 2025
[10] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

by the Commission from time to time;

(2) [1][omitted]

[2][(3) Maximum seventy-five percent of the offer size is allocated to book building portion and the remaining minimum twenty-five percent to the retail investors. The retail portion of the public offer shall be fully underwritten.

Provided that allocation to the retail portion shall be increased as follows, in case the retail portion is oversubscribed, and there shall be a corresponding decrease in the allocation to book building investors:

Oversubscription of retail portion	**Increase in allocation to retail portion**
5 times but less than 10 times	5%
10 times and greater	10%

Provided further that the Commission may allow undertaking of book building process and subscription by retail investors simultaneously, subject to the condition that the Consultant to the Issue and the Issuer shall satisfy the Commission that the necessary arrangements in terms of IT infrastructure, underwriting for the retail portion, distribution network, etc. are in place for simultaneously undertaking book building and retail subscription;]

(4) [3][omitted]

[4][Omitted]

[5][(6) Eligible participant shall be required to get registered with the Designated Institution.]

[6][(7) For registration, Eligible Participant shall submit an interest for participation in the Book Building;

Provided that registration shall be a one-time process and would not be required before each new book building transaction:

Provided further, that Designated Institution and NCCPL shall notify joint procedures covering procedural requirements for Book Building, after seeking prior approval of the Commission.]

[7][(7a) Upon registration, Designated Institution will configure its book building system by creating Eligible Participant in the book building system. Once the Eligible Participant is created, credentials such as participant ID, PIN and password will be transmitted by the book building system to the authorized

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Deleted the words "(5)The Book Building Portion may comprise of hundred percent of offer size without any offer to retail investor provided that shares offered through 100% book building shall only be traded among institutional investors and high net worth individuals on a special board other than the main ready board of the securities exchange. The Commission may impose any other conditions on case to case basis." Vide SRO 7(I)/2018 dated January 5, 2018
[5] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

person's registered email address and designated mobile number.]

[1][(8) The associates of the Issuer as disclosed in the Prospectus shall not in aggregate make bids in excess of ten percent of the shares offered though Book Building.]

[2][(9) The associates of the Consultant to the Issue [3][omitted] shall not in aggregate make bids in excess of [4][ten percent] of the shares offered through Book Building:

Provided that sub-regulation (9) shall not apply to such associates of the Consultant to the Issue [5][omitted] that are Financial Institutions [6][,] Mutual Funds [7][and Insurance Companies].]

(10) The consultant to the issue shall ensure that the issuer has entered into [8][omitted] agreement in writing with the Designated Institution [9][omitted]. The said agreement shall specify inter-alia, the rights, privileges, duties, responsibilities and obligations of each party to the agreement and shall provide a clause on dispute resolution mechanism among the parties to the agreement.

[10][Provided that in case where there is no consultant to the Issue, the Issuer itself shall ensure that [11][agreement] contains the required content as prescribed above.]

(11) The Issuer, the Consultant to the Issue, [12][omitted] the Underwriter and the Designated Institution shall maintain record of the issue for a period of at least ten years from the closing of the public subscription.

[13][(12) Eligible Participant shall be responsible to register the bidders and create bidding account for bidders in the book building system for participation.

Provided that Eligible Participants that are Mutual Funds, Banks, and Development Finance Institutions can only create bidding account for proprietary participation and cannot onboard/register bidders or create bidding account of the bidders for participation in the bidding:

Provided further that the Bank and Development Finance Institution acting as Consultant to the Issue in the public offering transaction shall be allowed to onboard/register bidders or create bidding account of the bidders for participation in the bidding.

1 Substituted for the words "(8) The associates of the Issuer as disclosed in the prospectus shall not in aggregate make bids for shares in excess of five per cent of the Book Building Portion;" vide SRO 7(I)/2018 dated January 5, 2018
2 Substituted for the words "(9) The associates of the Consultant to the Issue and the Book Runner shall not in aggregate make bids for shares in excess of two per cent of the Book Building Portion;" vide SRO 7(I)/2018 dated January 5, 2018
3 Omitted the words "and Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Substituted for the words "five percent" vide SRO 1619 (I)/2019 dated December 26, 2019
5 Omitted the words "and the Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Substituted for the word "and" vide SRO 1619 (I)/2019 dated December 26, 2019
7 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
8 Omitted the words "a tripartite" vide S.R.O.1477(I)/2025 dated August 6, 2025
9 Omitted the words "and the Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
10 Inserted vide SRO 819(I)/2020 dated September 7, 2020
11 Substituted for the words "tripartite agreements" vide S.R.O.1477(I)/2025 dated August 6, 2025
12 Omitted the words "the Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
13 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

(13) Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria.

(14) Eligible Participant shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

(15) Eligible Participants that are Banks, Development Finance Institutions, and Mutual Funds shall be allowed to participate in the book building with 0% margin money for proprietary trade.

Provided that the Banks and Development Finance Institutions shall provide standing instruction to the NCCPL to directly debit the bank account in case of default, as per the format prescribed by the NCCPL; and Mutual Funds shall provide Irrevocable Undertaking from the Trustee, as per the format prescribed by the NCCPL:

Provided further, where the Bank and Development Finance Institution is allowed to onboard/register bidders or create bidding account of the bidders for participation in the bidding, it shall deposit 100% margin money with the NCCPL for bids placed by investors.

(16) Eligible Participant that are Securities Brokers shall be allowed to participate with 100% margin money for Proprietary and Investor accounts. Securities Brokers shall collect margin money against bid amount from the bidders based on their own risk assessment criteria.]

8. Procedure for public offer of shares through Book Building.- The following procedure shall be adopted for book building process:

[1][(1) The Issuer shall decide the Floor Price and the Price Band in consultation with the Consultant to the Issue, if any.

Provided that Consultant to the Issue or the Issuer, as the case may be, shall conduct detailed evaluation of the financial performance of the Issuer, while suggesting/determining the floor price:

Provided further that the basis for determination of the Floor Price and the price band shall be disclosed under a separate section titled as "Valuation Section" in the Prospectus. The Consultant to the Issue or the Issuer, as the case may be, shall justify the Floor Price and the price band:

Provided further that the floor price and price band, in case of an equity offering shall be justified in the Prospectus using appropriate valuation models, including the Discounted Cash Flow (DCF) Model, Dividend Discount Model (DDM), and/or Gordon Growth Model (GGM):

Provided further that a disclaimer shall be added in the Prospectus stating that "*the floor price and price band are set by the Issuer and Consultant to the Issue using appropriate valuation models, and that the Commission and the Securities Exchange have neither assessed nor validated the pricing or the underlying valuation model. The Commission and the Securities Exchange do not assess, validate or endorse the price of a transaction, as pricing is purely a*

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

function of market forces; whereby minimum price is determined by the Consultant to the Issue/Issuer and final price is set by the investors."]

(2) [1][omitted]

(3) [2][omitted]

(4) [3][omitted]

(5) [4][omitted]

(6) [5][omitted]

[6][6(a) The Issuer shall publish the Prospectus at least one day before the commencement of registration of bidders. [7][omitted]]

(7) The bidding shall be conducted electronically through the [8][Book Building] System in a fair, efficient and transparent manner.

(8) [9][omitted]

(9) The registration of bidders by the [10][Eligible Participants] shall commence at least three working days before the start of the bidding period and shall remain open till 03:00 pm on the last date of the bidding period.

(10) [11][omitted]

(11) [12][omitted]

(12) [13][omitted]

(13) [14][omitted]

(14) [15][omitted]

[16][(15) The bidding shall remain open for at least [17][two (2)] working day.]

[18][(16) The Book Building process shall be considered as cancelled if the Issuer does not receive bids for the number of shares allocated under the Book Building

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Inserted vide SRO 7(I)/2018 dated January 5, 2018
[7] Omitted the words "by the Book Runner"
[8] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[9] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[10] Substituted for the words "Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
[11] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[12] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[13] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[14] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[15] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
16 Substituted for the text "(15) The bidding shall remain open for at least two consecutive working days." Vide SRO 819(I)/2020 dated September 7, 2020
[17] Substituted for the word "one" vide S.R.O.1477(I)/2025 dated August 6, 2025
[18] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

Portion and the same shall be immediately intimated by the Consultant to the Issue/Issuer to the Commission and the Securities Exchange.](17) The Book Building process shall be considered as cancelled if the total number of bids received is less than [1][forty]; and

(18) [2][omitted]

[3][**9. Procedure for bidding.-** The following procedure shall be followed for bidding:

(1) Bids can be placed as 'Limit Bid' or a 'Step Bid'.

Provided that the minimum size of a limit bid and that of any step, in case of a Step Bid, shall not be less than two million rupees.

(2) The Issuer shall publish the Prospectus at least one (1) day before the commencement of registration of bidders by the Eligible Participants and issuance of public notice by the Designated Institution relating to announcement of book building.

(3) The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.

(4) Designated Institution shall through the Book Building System display live order book throughout the bidding period in descending order showing demand for shares at various prices and the accumulated number of shares bid for along with percentage of the total shares offered. The order book should also show the revised bids. The order book shall be accessible through websites of the Securities Exchange and Designated Institution.

(5) Designated Institution will issue a public notice regarding the book building at least three (3) working days before the bidding period (B-3). The notice shall cover the issuer name, issue size, floor price, bidding dates, and salient features of the issue among others.

(6) Eligible Participant shall register bidders (Individual and Institutional Investors) and create user bidding account for bidders.

Provided that Eligible Participant can also create bidding account for proprietary participation.

(7) The creation of user bidding account shall require minimum information such as name of bidder, bid amount, UIN/ CNIC, Incorporation number/ CUIN, contact details, CDC sub account/Investor account / IBAN No. IPO Facilitation Account can be used if bidder does not have CDC subaccount or CDC investor account. These details shall be captured by the eligible participant at the time of registration.

(8) Bidders can opt disclosed or undisclosed bidding at the time of registration. In case of disclosed bidding, bids shall be placed by the eligible participant and in case of undisclosed bidding, bids shall be placed by the bidder.

1 Substituted for the word "hundred" vide SRO 1619 (I)/2019 dated December 26, 2019
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

Explanation:

i. In case of disclosed bidding, the bidder shall convey bid amount and bid price (profit rate/spread) to the Eligible Participant for entry into the Book Building System.
ii. In case of undisclosed bid, the bidder shall enter the bid amount and bid price (profit rate/spread) directly into the Book Building System.

(9) At the time of registration, bidders shall authorize the Eligible Participant for placing bid, in case of disclosed bidding.

(10) Eligible participants shall collect the margin money from the bidders and deposit the same with the NCCPL.

(11) Individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant:

Provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.

(12) In case of undisclosed bidding, for creating user bidding account for bidders, the Eligible Participants shall use the bidder details (email, name, phone number etc.). Book Building system will share the User ID, URL for the bid screen, PIN and password directly with the bidder via registered email and mobile number.

(13) Once the user is created and confirmed by the Eligible Participant, the credentials for participation in the bidding process shall be forwarded by the Book Building System to the user (investor in the case of undisclosed bidding or their Eligible Participant in the case of disclosed bidding) through registered email and mobile numbers.

(14) Eligible Participant can limit the amount of bidding by the bidders depending on the margin money received and its own risk assessment criteria.

(15) In the event of a Trading Only Broker and their clients, the user bidding account must be created through the Professional Clearing Member (PCM).

(16) One day before the start of bidding (B-1), Eligible Participants shall deposit the margin money or standing instruction or irrevocable undertaking from the trustee, where applicable with the NCCPL as per the designated time specified in the Joint Procedures:

Provided that during the bidding period, the Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required with the NCCPL as per the Joint Procedures.

(17) NCCPL shall communicate the confirmation of advance/margin money against bid amount of Eligible Participants to Designated Institution as per the Joint Procedures.

(18) Based on the information shared by NCCPL, Designated Institution will activate the Eligible Participants who have submitted advance/margin money for the bidding purposes.

(19) NCCPL will continue to share the real time information with Designated Institution relating to margin money deposited by the Eligible Participants during the bidding period due to registration of new bidders or increase in bidding amount as per the Joint Procedures.

(20) Eligible participants may bid on behalf of their client(s) in the case of disclosed bids, or users may bid anonymously using the credentials provided during the bidding period within the maximum participation amount assigned.

(21) Book Building System shall ensure that the bids are submitted within the assigned limits based on the advance/margin money against bid details provided by NCCPL and the resultant maximum participation amount.

(22) The Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required with the NCCPL.

(23) The bidders can revise the bids upward till 05:00 p.m. on the last day of the Bidding Period.

(24) At the close of the bidding period, Strike Price shall be determined on the basis of Dutch Auction Method by the Book Building System.

(25) The bidders who have made bids at prices above the Strike Price shall be allotted shares at the Strike Price.

(26) In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.

(27) In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the bids made at the Strike Price on proportionate basis.

(28) The bidders who have made bids below the Strike Price shall not qualify for allotment of shares.

(29) At the end of bidding period, successful bidders and their Eligible Participants shall be notified by the Book Building System via their registered email that their bids are accepted and such bidders are required to arrange settlement with NCCPL at B+1 within designated time specified in the Joint Procedures.

(30) Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures.

(31) In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 within banking hours.

(32) The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of public subscription period, credit of securities to the successful investors and issuance of NOC by the Securities Exchange.]

10. Restrictions: (1) The biding period shall not be extended except in extra ordinary circumstances like closure of banks, failure of System, etc. In such case, [1][the Issuer or the Consultant to the Issue] shall apply to the Commission for extension in the Bidding Period after obtaining NOC from securities exchange. In case extension is granted, the same shall be disseminated through publication in all those newspapers where the prospectus was published and the website of the issuer, consultant to the issue, [2][omitted] the designated institution and the securities exchange.

(2) The bidder shall not [3][ ]–

(i) [4][make] bid below the Floor Price [5][and above the upper limit of the Price Band];

(ii) [6][make] bid for more than [7][10%] of the shares allocated under the Book Building Portion [8][ ];

(iii) subject to the provision of clause (i) above, [9][make] bid with price variation of more than 10% of the prevailing indicative strike price or such other percentage as may be specified by the Commission;

(iv) [10][make] consolidated bid;

(v) [11][make more] than one bid either severally or jointly; [12][

(vi) make downward revision both in terms of Bid Price and Bid Volume;

Provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e. Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same; or]

[13][(vii) withdraw the Bid.]

(3) No person shall take part in the book building process, directly or indirectly severally or jointly in any manner or engage in any act or practice which create a false and misleading appearance of active bidding for raising or depressing strike price in the book building process.

11. Procedure for allocation of shares to retail investors.– The following

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[1] Substituted for the words "Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
3 Deleted the word "make" vide SRO 7(I)/2018 dated January 5, 2018
4 Inserted vide SRO 7(I)/2018 dated January 5, 2018
5 Inserted vide SRO 7(I)/2018 dated January 5, 2018
6 Substituted for the word "a" vide SRO 7(I)/2018 dated January 5, 2018
7 Substituted for the expression "5%" vide SRO 1619 (I)/2019 dated December 26, 2019
8 Deleted the text "except for institutional investors who may make bid up to 10% of the shares allocated under the Book Building Portion" vide SRO 1619 (I)/2019 dated December 26, 2019
9 Substituted for the word "a" vide SRO 7(I)/2018 dated January 5, 2018
10 Substituted for the word "a" vide SRO 7(I)/2018 dated January 5, 2018
11 Substituted for the word "More" vide SRO 7(I)/2018 dated January 5, 2018
12 Substituted for the words "or (vi) downward revision or withdraw the bid." Vide SRO 7(I)/2018 dated January 5, 2018
13 Inserted vide SRO 7(I)/2018 dated January 5, 2018

procedure shall be followed for allocation of shares to retail investors:

[1][(1) Within [2][one (1) working day] of the closing of the Bidding Period, the Issuer itself or through its Consultant to the Issue, if any shall publish supplement to the prospectus in those newspapers in which the prospectus was earlier published and also disseminate the same to the securities exchange, banker to an issue and underwriter. For this clause the term supplement to the prospectus means information relating to results of the Book Building or any other information prescribed below that is important for the retail investors.]

[3][(1a) The supplement to the prospectus shall contain the information relating to the Strike Price, the Offer Price, names of the underwriters of the retail portion of the Issue if any, underwriting commission bifurcating as take up commission or any other, commitment by the successful bidders for subscribing the undersubscribed retail portion in case of hundred percent book building, category wise breakup of the successful bidders along with number of shares allocated to them, dates of public subscription and such other information as specified by the Commission.]

(2) The issuer may offer the shares to the retail investors at a certain discount to the strike price.

[4][(3) The general public shall submit application for the subscription of shares in physical form to the Banker to an Issue or electronically through e-IPO platform:

Provided that physical application can only be submitted by the Institutional Investors and shall be duly accompanied by a crossed cheque or demand draft or pay order in the name of the Issuer or evidence of direct debit of subscription money from the applicant's bank account or blocking of the subscription money in the applicant's bank account:

Provided further that submission of physical applications by all types of investors shall be discontinued from September 1, 2025, after which all applications shall be submitted only through e-IPO platforms.]

(4) Within [5][five (5)] [6][working] days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

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1 Substituted for the text "(1) Within three working days of the closing of the Bidding Period, the Consultant to the Issue shall publish all supplement to the prospectus in those newspapers in which the prospectus was earlier published and also disseminate the same to the securities exchange, banker to an issue and underwriter.

Explanation: - For the purposes of this clause the expression supplement to the prospectus means information relating to the Strike Price, the Offer Price, names of the underwriters of the retail portion of the Issue if any, underwriting commission bifurcating as take up commission or any other, commitment by the successful bidders for subscribing the undersubscribed retail portion in case of hundred percent book building, category wise breakup of the successful bidders along with number of shares allocated to them, dates of public subscription and such other information as specified by the Commission." Vide SRO 819(I)/2020 dated September 7, 2020

2 Substituted for the words "three working days" vide S.R.O.1477(I)/2025 dated August 6, 2025

3 Inserted vide SRO 819(I)/2020 dated September 7, 2020

4 Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

5 Substituted for the digits "10" vide S.R.O.1477(I)/2025 dated August 6, 2025

6 Inserted vide SRO 7(I)/2018 dated January 5, 2018

(5) In case retail portion of the issue, if any, remains unsubscribed, the unsubscribed shares shall either be taken up by the underwriters or allotted to successful bidders at the strike price determined in the book building process on pro-rata basis.

CHAPTER VI

Offer for sale of shares by an Offeror

12. Offer for sale of shares by the Offeror.— [1][(1) A person or group of persons, holding more than ten per cent shares of a listed company or listed body corporate, may offer such shares for sale to the public subject to the conditions that the offer size (product of the offer price or floor price and number of shares being offered) of capital to the public shall not be less than one hundred million rupees.]

(2) In case of offer for sale of shares of an unlisted company or unlisted body corporate, the size of the offer of capital to be offered to the public shall be in accordance with these Regulations and regulations of the securities exchange;

[2][Provided that offer for sale of shares by the existing shareholders of a company is not allowed in case of green field project]

[3][CHAPTER VIA

Special Purpose Acquisition Company, Functions and other Requirements

12a. Eligibility to Commence business as SPAC. — (1) No person shall commence business as a SPAC unless,-

(i) it is registered as a public limited company having principle line of business of SPAC, having a paid-up capital of not less than ten million rupees, and shall not carry out any commercial business other than the business of SPAC; and

(ii) its promoters, sponsors, directors and chief executive officer fulfil the Fit and Proper criteria as specified in the Ninth Schedule.

12b. Functions of SPAC – (1) A SPAC shall be responsible, -

(i) to raise and utilize funds for the sole purpose of merger or acquisition transaction and complete the transaction within permitted time frame as per these regulations;

(ii) to open an escrow account and maintain custodial arrangements for escrow account at all times as required under these regulations;

1 Substituted for the text "(1) A person or group of persons, holding more than ten per cent shares of a listed company or listed body corporate, may offer such shares for sale to the public subject to the conditions that the offer size of capital to the public shall not be less than one hundred million rupees.
Explanation.- For the purpose of this clause, the term, "offer size " means the product of the offer price 1[or floor price] and the number of shares being offered;" vide SRO 819(I)/2020 dated September 7, 2020
2 Inserted vide SRO 7(I)/2018 dated January 5, 2018
3 Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

(iii) to act in the best interests of the investors and to ensure that merger transactions shall be structured in such a manner to avoid any conflict of interest;

(iv) to be obliged to manage its assets, in the interest of the investors in good faith and to the best of its ability and without undue advantage for itself or any of its related parties, associates or its officers;

(v) to ensure that at least 15% shareholding of merged entity (post-merger) are held by the sponsors for a period of at least one year from the date of merger:

Provided that SPAC sponsors may increase shareholding percentage in the merged entity, if merged entity (subsequent to merger) starts generating operating profit within specified time (as disclosed in prospectus);

(vi) to ensure that sponsor's shareholding in the target company premerger/acquisition should be less than 30% of the total shareholding of the target company;

(vii) to prepare the draft prospectus as per format and disclosures prescribed in [1][First Schedule] and shall submit application for approval of the prospectus as per these regulations and the Act, 2015.

12c. Listing. - A SPAC offering securities to the public shall be listed on the securities exchange.

12d. Modes of fund raising. – (1) A SPAC can raise funds through issuance of equity securities and/or warrants either by way of;

(i) Initial Public Offer (IPO); or

(ii) Private placements

12e. Minimum Fund Raised.- A SPAC shall raise at least Rs. 200 million to undertake a merger or acquisition transaction. The offering document/prospectus should clearly provide the justification that the funds raised are sufficient enough to enable the SPAC to have a core business with sufficient size and scale relative to the industry in which the business operates.

12f. Time frame for completion of qualifying acquisition.- SPAC must complete the merger or acquisition transaction within the permitted time frame of thirty six (36) months from the date of listing of SPAC on the exchange:

Provided that the Commission may, upon request by the SPAC, after reasons to be recorded in writing, extend the permitted time by six months subject to terms and conditions as deem appropriate by Commission.

12g. Shareholders' Approval. – (1) Each merger or acquisition transaction shall be approved by the shareholders by way of special resolution. The SAPC shall provide the disclosures as specified in Schedule Twelve, while presenting to the shareholder.

(2) SPAC shall ensure mandatory implementation of e-voting.

(3) The notice of general meeting by SPAC shall not be less than 21 days.

[1] Substituted for the words "Schedule Eleven" vide S.R.O.1477(I)/2025 dated August 6, 2025

12h. Rights of holders of voting securities who vote against a qualifying acquisition /Refund to Investors Or incase where SPAC fails to complete the merger or acquisition transaction- (1) A SPAC shall be entitled to make refund to the entitled shareholders from the Escrow account in the following scenarios, -

(i) where the company is unable to complete the merger or acquisition transaction within the permitted time period as specified in these regulations or as approved by the Commission; or

(ii) to those entitled shareholders, who do not approve the merger or acquisition transaction.

(2) if the SPAC is unable to complete the merger or acquisition transaction within the permitted time period, the securities holders, will receive pro rata amount out of the Escrow account including any profit accrued/credited in the Escrow account, net of any taxes payable.

(3) The SPAC shareholder/(s), other than directors, sponsors and chief executive offer, disapproving the merger or acquisition transaction shall be –

(i) entitled to receive, in exchange for their securities, a sum equivalent to 90% of their initial investment, net of any taxes payable and expenses related to the facilitation of the exchange, provided that such merger or acquisition transaction is approved and completed within the permitted time frame; and

(ii) paid as soon as practicable upon completion of the merger or acquisition transaction should they elect to exchange their securities. The securities tendered in exchange for cash must be cancelled. In complying with this requirement, the SPAC must specify, in the circular to shareholders in relation

to the qualifying acquisition, the timeframe for payment to holders of securities electing to exchange their securities. The SPAC must also demonstrate that this timeframe is reasonable, including providing details of all milestones or steps to be taken.

(iii) the basis of computation for refund must be disclosed in the prospectus and notice of the general meeting.

(iv) SPAC shall notify through its share registrar the list of dissenting shareholders to CDC. Shares of the dissenting shareholder shall immediately be blocked by CDC.

(v) for the purpose of processing the list of dissenting shareholder/(s) and freezing, SPAC shares shall not be tradeable on the securities exchange for one day i.e. immediately after the date of book closure.

(4) SPAC immediately after processing payments from the Escrow account as per the procedure specified in these regulations shall stand delisted and process of its voluntary winding up shall be initiated by the SPAC as specified in Companies Act, 2017.

12i. Management of Escrow Account. – (1) SPAC must place at least ninety percent (90%) of the funds raised in an escrow account immediately upon receipt of all proceeds. 10% of the total proceeds may be utilized to defray expenses related to the initial public offering/private placements, operating costs, fund the search for a target business and complete the qualifying acquisition;

(2) The monies in the escrow account shall only be utilized for the purpose of merger or acquisition transaction.

(3) The monies in the escrow account can be released by the custodian for such purposes as permitted under these regulations and upon termination of the escrow account.

(4) The escrow account can be terminated-

(i) following the completion of all merger or acquisition within the permitted time frame; or

(ii) upon failure to complete merger or acquisition transaction by SPAC.

(5) The proceeds in the escrow account can be invested in permitted investments and any income generated by the funds held in the escrow account, including profit or dividend income derived from the permitted investments, must accrue to the escrow account and SPAC must ensure that in such investments initial capital is preserved.

(6) Members of the management team shall not be eligible for any other payments from escrow account other than in relation to securities purchased by them during and after the public offering.

12j. Fair market value of Acquisition. – (1) The fair market value of the target company or companies, as the case may be, must equal to at least eighty percent (80%) of the aggregate amount in the escrow account, net of any taxes payable and the losses incurred on the investments made out of the escrow account.

(2) The fair market value should be supported by a valuer's report recognized under the Companies Act, 2017

12k. Additional financing.- (1) SPAC can raise additional funds by way of rights issue or other than right issue or through secondary public offering to complete its merger or acquisition transaction within the permitted time period specified in these regulations or as approved by the Commission. At least ninety percent (90%) of the proceeds received, as a result, shall also immediately be deposited into escrow account.

(2) Where a SPAC proposes to obtain debt financing, the SPAC must ensure that–

(i) any credit facility obtained prior to the completion of the merger or acquisition transaction, may only be drawn after the approval of the merger or acquisition through special resolution;

(ii) the funds from the credit facility obtained must be applied towards the financing of the merger or acquisition, defraying related costs or enhancing the business(es) acquired under the merger or acquisition; and

(iii) the monies in the escrow account must not be used as collateral for the debt financing.

12l. Majority ownership and management control:- The merger or acquisition by SPAC should result in majority ownership or management control by the SPAC of the merged/target entity.

12m. Change in board of directors and management team.- Any change in the board, if so required, shall only be made in a manner provided in the Companies Act, 2017, provided that the directors of SPAC shall at all times comply with fit and proper criteria given under Ninth Schedule.

12n. The Custodian - its roles and responsibilities. – (1) The funds raised by SPAC from issuance of securities shall be kept by the custodian in escrow account, in accordance with the custodian agreement, these Regulations and applicable laws.

(2) Contents of the custodian agreement must be in accordance and in compliance with these regulations and at minimum should include such information as specified in Schedule Ten.

(3) SPAC must secure and maintain custodial arrangements at all times over the monies in the escrow account until the termination of the escrow account.

(4) A custodian must take appropriate measures to ensure the safekeeping of the monies held in the escrow account.

(5) A custodian must ensure that proper accounting records and other records of escrow account are maintained.

(6) A custodian may be provided a mandate by the SPACs to invest the amounts held in the escrow account in permitted investments.

(7) A custodian may only distribute the funds held in the escrow account in accordance with the provisions of the custodian agreement.

(8) The custodian shall disclose any information to the Commission and PSX upon request;

(9) The custodian agreement will terminate–

(i) on the appointment of a new custodian following the resignation or termination of services of the existing custodian; or

(ii) following the termination of the escrow account.

12o. Failure to complete merger or acquisition transaction- (1) In case SPAC fails to complete merger or acquisition transaction within the permitted time frame or within such extended time as approved by the Commission it shall notify the Commission and the concerned securities exchange of the same fact within seven days.

(2) In case where SPAC fails to complete the merger or acquisition transaction prior to expiry of the permitted time frame due to any unforeseen circumstances/reasons, it shall immediately notify the same to the Commission and the concerned securities exchange of the fact.

12p. Power of the Commission to issue directions. – The Commission may issue such directions to the SPAC, including but not limited to filing of reports and furnishing such documents and information to the Commission or to the investors, as it may deem fit, and SPAC shall comply with such requirements.

12q. Relaxation: The Commission may, if deems appropriate based on valid justification provided by the SPAC, upon reasons to be recorded in writing, relax any of the requirements of Chapter VIA subject to such conditions or limitations as it deems appropriate.]

[1][Chapter VI A-1

Public Offer of REIT Units

(12a1.) Methods for Public Offer of REIT units.- An Issuer including an Offeror may make public offer of units of REIT Scheme as per the Fixed Price method or Book Building method.

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

Provided that requirements and procedure for Fixed Price method and Book Building method, in case of public offer of shares, given at regulation 4, 6, 7, 8, 9, 10, and 11 shall also be applicable in case of units of REIT Scheme.

(12a2.) Conditions for Public Offer of REIT units.- (1) An Issuer may make public offer of units of REIT Scheme, if it fulfils the following conditions, namely.-

(i) The Issuer is compliant with all the applicable requirements as specified in the REIT Regulations for launching a REIT Scheme and public offering and listing of units of a REIT Scheme.

(ii) In case of Offer for Sale, the Issuer shall comply with the Offer for Sale requirements specified for shares at Regulation 12.

(iii) The Issuer shall comply with the disclosure requirements specified in these Regulations, and shall also disclose all information and incorporate necessary documents in the Prospectus as specified in the REIT Regulations.

(iv) The general requirements relating to board and management in case of public offer and listing shall be complied by the RMC.

(v) The general requirements relating to fund raising in case of public offer and listing shall be complied by the REIT Scheme.

(vi) The Issuer shall ensure that Lock-in period requirements as specified in the REIT Regulations are complied.]

CHAPTER VII

PUBLIC OFFER OF DEBT SECURITIES

13. General Conditions for public offer of Debt Securities. - An issuer may make a public offer of debt security under section 87 and 88 of the Act, if it fulfills the following conditions, namely.-

(1) It is authorized by its Memorandum and Articles of Association to issue debt securities;

[1][(2) For issuance of debt security, other than the commercial paper, the Issuer shall appoint, as applicable, -

(i) Debt Securities Trustee;

(ii) Investment Agent;

(iii) [2][omitted]]

(3) It has obtained rating of the debt security from a credit rating company licensed by the Commission and the rating shall not be more than six months old. The minimum rating shall be A2 (short term) in case of short term debt securities (instruments with tenor of up to one year) and BBB+ (long term)/ A2 (short

[1] Substituted for the text "(2) In case of debt securities, other than Commercial Paper and Sukuk, it has appointed debt securities trustee licensed by the Commission;" vide SRO 1383(I)/2020 December 23, 2020
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

term)in case of long term debt securities (instruments with tenor exceeding one year) ;

Provided that in case of short term debt securities (instruments with tenor of up to one year), the condition of instrument rating may be waived, if the issuer has obtained entity rating and such rating is not less than "A-" (long term)/ "A2" (short term) and not more than six months old [1][:

Provided further that this clause shall not apply to a Sovereign Sukuk [2][,] a Government Guaranteed Sukuk [3][and any other debt security whose debt servicing is guaranteed from the Government;]

(4) The public offer for debt securities shall be fully underwritten, except in case of issuance of Sukuk, where underwriting may not be required in the following conditions:

i. The issue is made for the repayment of debt;

ii. Utilization of the proceeds of the issue is solely for meeting the working capital requirement; [4][or]

iii. The issuer has alternative funding arrangements in place for meeting short fall, if any, in the event of undersubscription of the issue.

[5][Provided that underwriting shall not be required in case of public offer of short term sukuk instruments.]

(5) The long term debt securities [6][including Sukuk and other Shariah compliant securities] shall not be restructured or rescheduled unless approval of two third of the debt securities holders in value for the time being outstanding is obtained;

(6) It shall report profit payment and redemption status of the securities on semiannual basis to the Commission, securities exchange, debt securities trustee, investment agent, and issuing and paying agent, till complete redemption of the issue.

(7) In case of Shariah compliant debt securities including Sukuk, the following conditions shall also be complied with:

(i) The issuer has appointed Investment Agent through an investment agency agreement which contains at least roles and responsibilities of both parties to the agreement, dispute resolution mechanism and such other clauses as specified by the Commission from time to time;

[7][(ii) The Issuer has obtained shariah compliance certificate under the Shariah Governance Regulations, certifying that securities are shariah compliant.]

1 Substituted for the full stop "." vide SRO 838(I)/2017 dated August 23, 2017
2 Substituted for the word "and" vide SRO 1619 (I)/2019 dated December 26, 2019
3 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
4 Substituted for the word "and" vide S.R.O.1477(I)/2025 dated August 6, 2025
5 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Inserted vide SRO 838(I)/2017 dated August 23, 2017
7 Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

(iii) [1][omitted]

(iv) The Investment Agent shall not be [2][associated company or associated undertaking of the Issuer];

(v) [3][omitted]

(vi) [4][omitted]

(vii) [5][omitted]

(viii) [6][omitted]

[7][Omitted]

[8][(x) The Issue shall not embed any swaps, options or other derivatives except in the case of convertible or exchangeable Shariah compliant securities;]

(xi) The Issuer shall ensure that proceeds of the Issue are utilized [9][for Shariah compliant purposes and] in the form and manner as disclosed in the Prospectus.

(xii) Where Shariah compliant debt securities are convertible or exchangeable into ordinary shares of the [10][Issuer], the option of conversion or exchange, as the case may be, shall be at the discretion of the investors and the underlying ordinary shares shall be listed at the time of the offer of such debt securities. [11][ ]

[12][Provided that this clause shall not apply in case of issuance of Tier 1 and Tier 2 instruments by Scheduled Banks.]

[13][(xiia) The Issuer shall comply with the post issue requirements specified in the Shariah Governance Regulations, 2023.]

(xiib) [14][omitted]

(xiic) [15][omitted]

(xiii) [16][omitted]

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[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Substituted for the words "associate of the issuer" vide SRO 838(I)/2017 dated August 23, 2017
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
7 Deleted the words "(ix) The Issuer shall at all times during the tenor of the issue ensure that its principal business is not against the Shariah principles." Vide SRO 838(I)/2017 dated August 23, 2017
8 Substituted for the words "(x) The Issuer shall not embed any options except in the case of convertible or exchangeable Shariah compliant securities;" vide SRO 838(I)/2017 dated August 23, 2017
9 Inserted vide SRO 838(I)/2017 dated August 23, 2017
10 Replaced with the word "issuer" vide SRO 838(I)/2017 dated August 23, 2017
11 Deleted the words "The compliance of features and Shariah requirements of Sukuk shall be audited on annual basis." Vide SRO 838(I)/2017 dated August 23, 2017
12 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
[13] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[14] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[15] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[16] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

(xiv) [1][omitted]

(xiva) [2][omitted]

(xivb) [3][omitted]

(xivc) The Prospectus must make it unambiguously clear to the investors whether or not the Sukuk are asset backed, that is, based on true sale, providing investors an unqualified right over the concerned assets and where the Sukuk are not asset backed, the Prospectus shall explain the implications, most notably, if the Sukuk holders are assuming credit risk of the Issuer and their standing in the hierarchy of creditors;

(xivd) Where Sukuk are issued without transferring concerned assets, where applicable, to an SPV, the Issuer shall explain in the Prospectus why the SPV structure has not been used and any potential implications regarding investor protection and Shariah compliance;

(xive) The Prospectus shall specify fees and expenses pertaining to Shariah compliance [4][omitted];

(xivf) The Issuer shall furnish the Shariah certificate and the transaction documents to all the Sukuk holders in physical or electronic form or shall make available the same on its website, in downloadable format, for information of the investors;

(xivg) [5][omitted]

(xv) Any other condition as may be specified by the Commission from time to time.

[6][omitted]

[7][(8) Within [8][five (5)] working days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the debt securities shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.]

14. Conditions for Public Offering of [9][Commercial Paper].– An issuer may make public offer of short term debt securities in the form of Commercial Paper[10][,] [11][omitted]

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted the text ", including the fee, if any, paid to the Shariah Advisor" vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Deleted the text "6**[Explanation 1**.- For the purposes of this regulation the expression "Sovereign Sukuk" shall include Sukuk issued and guaranteed by the Federal Government.
Explanation 2.- For the purposes of this regulation the expression "Government Guaranteed Sukuk" shall include Sukuk issued by any corporation or body corporate owned and controlled by the Federal Government and such Sukuk is guaranteed by the Federal Government;]" vide SRO 819(I)/2020 dated September 7, 2020
7 Inserted vide SRO 819(I)/2020 dated September 7, 2020
[8] Substituted for the digits "10" vide S.R.O.1477(I)/2025 dated August 6, 2025
[9] Substituted for the words "short term debt securities" vide S.R.O.1477(I)/2025 dated August 6, 2025
[10] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[11] Omitted the word "only" vide S.R.O.1477(I)/2025 dated August 6, 2025

subject to compliance with the following conditions, namely.-

(1) The equity of the Issuer is not less than Rs. 50 million as per its latest audited financial statements.

(2) The commercial paper shall be issued for maturities between thirty days and one year and the date of maturity shall be calculated from the first day of subscription. Where the maturity date happens to be a holiday, the payment shall be made on the immediate following working day.

(3) The Commercial Paper shall be issued in denomination of Rs.10,000 or multiples thereof.

(4) The aggregate amount of a Commercial Paper shall be within such limits as may be approved by its Board of Directors, provided the total liabilities of the issuer after the issue of such Commercial Paper do not exceed four times of the issuer's equity.

(5) The commercial paper shall be issued at discount to face value.

(6) The commercial paper shall not be rolled over or restructured or rescheduled.

(7) The Issuer shall appoint an Issuing and Paying Agent through an agreement in writing. The agreement shall contain all the basic terms and conditions, and role and responsibilities of both the parties to the agreement.

(8) The Issuing and Paying Agent appointed shall not be associate of the issuer.

(9) On maturity, the holder shall present the commercial paper for payment to the Issuing and Paying Agent who, having received funds from the Issuer, shall effect repayment through crossed cheque, pay order, demand draft or direct credit in the holders respective account.

(10) Commercial Paper may be redeemed before maturity under a call option and an investor may ask the Issuer for early redemption under a put option subject to the condition that such options are provided in the offering document.

15. Conditions for issue of convertible debt securities.– An issuer may make a public offer of a convertible debt security under [1][clause (b) of sub-section (1) of section 83 of the Companies Act] subject to the following conditions, namely:

(1) the Issuer is authorized by its Memorandum and Articles of Association to issue convertible securities;

(2) the Issuer has obtained approval of the Commission under [2][clause (b) of sub-section (1) of section 83 of the Companies Act];

(3) The conversion ratio or mechanism is disclosed in the prospectus; and

(4) The mechanism for resolution of dispute if arises at the time of conversion is

1 Substituted for the words "the first proviso to sub-section (1) of section 86 of the Ordinance" vide SRO 838(I)/2017 dated August 23, 2017

2 Substituted for the words "the first proviso to sub-section (1) of section 86 of the Ordinance" vide SRO 838(I)/2017 dated August 23, 2017

provided in the prospectus.

[1][**15a. Book Building Mechanism for debt securities.-** (1) An issuer can adopt book building mechanism for:

i. Discovery of profit rate in case of fixed rate instrument and spread (+/-) in relation to the KIBOR or reference rate, in case of floating rate instrument; and

ii. Discovery of price in case of discounted instrument:

Explanation:

In case of fixed and floating rate instruments to be issued at par, Bid shall mean the intention to buy specified number of debt securities at face value for a particular spread/profit rate quoted in terms of basis points.

In case of discounted instrument, Bid shall mean the intention to buy specified number of debt securities at a particular price in relation to the face value.

(2) The Book Building shall be conducted as per the conditions and procedure prescribed below:

(i) The Issuer shall enter into agreement in writing with the Designated Institution. The said agreement shall specify inter-alia; the rights, privileges, duties, responsibilities and obligations of each party to the agreement, and shall provide a clause on dispute resolution mechanism among the parties to the agreement;

(ii) The Issuer shall publish the Prospectus at least one (1) day before the commencement of registration of bidders;

(iii) For Floating rate instruments, Bidder can enter spread on both positive and negative sides in relation to the KIBOR or reference rate;

(iv) For discounted instruments, Bidder shall place Bid in terms of price in relation to the face value;

(v) The Book Building shall be considered as cancelled if the Issuer does not receive bids for total number of debt securities offered under the book building

(vi) Clause (9) to (15) of Regulation 8, and clause (1) to (3) and (5) to (23) of Regulation 9 relating to procedure for Book Building and bidding of shares shall also apply in case of debt securities.

(vii) In case of fixed rate or floating rate instrument, at the close of the bidding period, cut-off profit rate/spread shall be determined on the basis of reverse Dutch Auction Method by arranging all the profit

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

rate/spread in an ascending order along with the number of debt securities and the cumulative number of debt securities bid for at each profit rate/spread. The Cut off profit rate/spread is determined by increasing the profit rate/spread to the extent that the total number of debt securities offered under the Book Building portion are subscribed. The allotment shall be made on following basis:

a. The allotment shall be made on the basis of lowest bid priority, i.e. the bid made at the lowest profit rate/ spread shall be considered first for allotment;
b. The bidders who have made bids at profit rate/spread less than the Cut-off profit rate/ spread shall be allotted the debt securities at the Cut-off profit rate/Spread;
c. In case all the bids made at profit rate/spread below the cut off profit rate/spread are accommodated and debt securities are still available for allotment. Such available debt securities shall be allotted against the bids made at the Cutoff profit rate/spread on proportionate basis.
d. The bidders who have made bids at profit rate/spread higher than the Cutoff profit rate/spread shall not qualify for allotment.

(viii) For discounted instruments, at the close of the bidding period, cut-off price shall be determined on the basis of Dutch Auction Method by arranging all the prices in descending order along with the number of debt securities and the cumulative number of debt securities bid for at each price. The Cut off price shall be determined by decreasing the price to the extent that the total number of debt securities offered under the Book Building portion are subscribed. The allotment shall be made on following basis:

a. The allotment shall be made on the basis of highest bid priority, i.e. the bid made at the highest price shall be considered first for allotment;

b. The bidders who have made bids at price higher than the Cut-off price shall be allotted the debt securities at the Cut-off price.

c. In case all the bids made at price above the Cut off price are accommodated and debt securities are still available for allotment. Such available debt securities shall be allotted against the bids made at the Cut off price on proportionate basis.

d. The bidders who have made bids below the Cut off price shall not qualify for allotment:

Provided that Issuer can also opt multiple pricing model for allotment of securities, whereby successful bidders (Investors that have bid at cut off price and above) shall be allotted the securities at bid price.

(ix) At the end of bidding period, successful bidders and their Eligible Participants shall be notified by the Book Building System via their registered email that their bids are accepted (depending upon the instrument) and such bidders are required to arrange settlement with

NCCPL at B+1 within designated time specified through Joint Procedures.

(x) Following the allocation process, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its Shortfall Management Process as per the Joint Procedures.

(xi) In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 within banking hours.

(xii) The funds in lieu of accepted bids will be credited to the Issuer banks account by NCCPL after the end of public subscription period, credit of securities to the successful investors and issuance of NOC by the Securities Exchange.]

15b. Restrictions:

(1) The bidding period shall not be extended except in extra ordinary circumstances like closure of banks, failure of System, etc. In such case, [1][the Issuer or the Consultant to the Issue] shall apply to the Commission for extension in the Bidding Period after obtaining NOC from securities exchange. In case extension is granted, the same shall be disseminated through publication in all those newspapers where the prospectus was published and the website of the issuer, consultant to the issue, if any, [2][omitted] the designated institution and the securities exchange.

(2) The bidder shall not:

(i) make consolidated bid;

(ii) make upward revision in terms of profit rate/spread;

[3][(iia) make downwards revision in terms of the price;]

(iii)make downward revision in terms of bid amount; [4][or]

(iv)withdraw the Bid:

(3) No person shall take part in the book building process, directly or indirectly severally or jointly in any manner or engage in any act or practice which create a false and misleading appearance of active bidding for raising or depressing cutoff profit rate/spread[5][/price] in the book building process.

15c. Procedure for allocation of debt securities to the retail investors:

i. Within [6][a maximum period of one (1) working day] of the closing of the Bidding Period, the Issuer itself or through its Consultant to the Issue, if any shall publish supplement to the prospectus in those newspapers in which the prospectus was earlier published and also disseminate the same to the securities exchange, banker to an issue and underwriter. For this clause the term

[1] Substituted for the words “Book Runner” vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the words “book runner” vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Substituted for the word “and” vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Substituted for the words “three working days” vide S.R.O.1477(I)/2025 dated August 6, 2025

supplement to the prospectus means information relating to results of the Book Building or any other information prescribed below that is important for the retail investors.

ii. The supplement to the prospectus shall contain the information relating to the cut off profit rate/spread, names of the underwriters of the retail portion of the Issue , underwriting commission bifurcating as take up commission or any other, category wise breakup of the successful bidders along with number of debt securities allocated to them, dates of public subscription and such other information as specified by the Commission.

iii. The general public shall submit application for the subscription of debt securities to the Banker to an Issue either in physical form or electronically. The application shall be duly accompanied by a crossed cheque or demand draft or pay order in the name of the Issuer or evidence of direct debit of subscription money from the applicant's bank account or blocking of the subscription money in the applicant's bank account.

iv. Within [1][five (5)] working days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the debt securities shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.]

[2][Chapter VIIA

15d. Conditions for Public Offer of Shares for Listing at Growth Enterprise Market. - An Issuer may make a Public Offer of shares for listing at Growth Enterprise Market, if it fulfills the following conditions, namely.-

(1) The Issuer is compliant with the eligibility criteria for public offering covered in Listing Regulations for Growth Enterprise Market specified by the Securities Exchange.

(2) The Issuer shall appoint Consultant to the Issue for public offer of shares.

(3) The Issuer shall prepare the Prospectus in compliance with the **First Schedule of these Regulations** and shall comply with the instructions for drafting Prospectus given at **First Schedule-C.**

(4) The Issuer shall submit the Prospectus to the Securities Exchange and the Commission for approval as per regulatory review process provided in Regulation 3A of these regulations:

Provided that the Prospectus application shall be accompanied with such information/documents as specified in the **Thirteenth Schedule.**

(5) The Issuer shall publish the Prospectus as per the requirements of the Securities Act, 2015.

(6) The Issuer shall offer the shares to the public either through Fixed Price method or Book Building method as per the mechanism specified in these Regulations.

[1] Substituted for the digits "10" vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

(7) The Issuer shall comply with the customized requirements for Fixed Price method or Book Building method, if any prescribed by the Securities Exchange in the listing regulations:

Provided that customized requirements, if any introduced by the Securities Exchange for Fixed Price method or Book Building method shall be applicable instead of requirements specified in these regulations.

(8) The Issuer can prepare the Abridged Prospectus and advertisement as per Second and Third Schedule of these Regulations:

Provided that public offering of shares for listing at GEM shall be governed only through this chapter unless otherwise specified:

Provided further that function and responsibilities specified for different intermediaries at Chapter IX of these regulations shall also apply in case of public offer of shares for listing at GEM.]

CHAPTER VIII

MISCELLANEOUS

16. **Post Issue Reporting and Disclosures.** The issuer upon completion of public offering of securities shall,

(i) report detailed break-up of the utilization of the proceeds of the issue in its post issue quarterly/half-yearly and annual accounts [1][till the [2][fulfilment]of the commitments mentioned in the prospectus]; [3][]

[4][(ii) submit a: (a) Half yearly progress report; and (b) annual progress report reviewed by the auditor, to the securities exchange till the [5][fulfilment] of the commitments mentioned in the prospectus stating the following:

a. Implementation status of the project/commitment made in the Prospectus as per format given below:

Commitment made in the Prospectus	**Start date (disclosed in the prospectus)**	**Completion date (disclosed in the Prospectus)**	**Current status**	**Rationale for delay, if any.**

b. Detailed break-up utilization of the proceeds raised from the issue.]

[6][(iia) Submit a final report reviewed by the auditor after the [7][fulfilment]of the commitments mentioned in the Prospectus.]

Inserted vide SRO 819(I)/2020 dated September 7, 2020
1619 (I)/2019 dated December 26, 2019
[2] Substituted for the word "fulfillment" vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted the word "and" vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Substituted for the text "(ii) submit a quarterly report providing the status of the commitments mentioned in the prospectus and conditions imposed at the time of granting approval of the prospectus, for at least three years to the securities exchange and the Commission." Vide SRO 1619 (I)/2019 dated December 26, 2019
[5] Substituted for the word "fulfillment" vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
[7] Substituted for the word "fulfillment" vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][(iib) The Securities Exchange shall submit its observations on the utilization of proceeds and implementation of project to the Issuer on quarterly basis, as per Fourteenth Schedule.

(iic) The issuer shall respond to observations of the Securities Exchange and shall upload observations and response on its website and disseminate the same to the investors, within fifteen (15) working days.]

[2][(iii) in case of Sukuk and other Shariah compliant securities, ensure that while preparing their financial reports, all the relevant standards, notified by the Accounting and Auditing Organization of the Islamic Financial Institutions and the Islamic Financial Accounting Standard as notified by the Commission for adoption, from time to time relating to the financial reporting and accounting treatment of Sukuk are complied with.]

[3][16a. Offering an Exit Opportunity in case of change in principal purpose of Issue as disclosed in prospectus:

(1) The Issuer shall not, at any time change the principal purpose of the issue as disclosed in the Prospectus.

(2) In exceptional circumstances, the issuer may change the principal purpose of the issue subject to passing of special resolution and offering an exit opportunity to dissenting shareholders who have not agreed to the change in principal purpose of the issue as disclosed in the Prospectus.

(3) Offering an exit opportunity shall also be mandatory where the principal purpose of issue was undertaken and thereafter funds were diverted to other purposes, which resulted in non-completion of principal purpose of issue in a timely manner as disclosed in the prospectus.

(4) The mechanism for an exit offer opportunity shall be as under:

(i) EOGM notice in respect of any change in the principal purpose of the issue as disclosed in the prospectus shall be given along with draft special resolution as required under the provisions of Companies Act, 2017.

(ii) Subject to approval of special resolution as defined in the Companies Act, 2017, the shareholders who have dissented against the special resolution and conveyed their dissent to the company secretary under intimation to PSX, shall be provided an opportunity to exit by offering a price per share, by the sponsors of the issuer that shall be highest of the following:

a) Intrinsic value based on the latest available audited accounts;

b) Weighted average closing price for last six preceding months

c) offer price at which the shares were subscribed through IPO.

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Inserted vide SRO 838(I)/2017 dated August 23, 2017
3 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019

(iii) The exit offer shall be executed by the sponsors with in a period of thirty days from the date of passing of special resolution.]

[1][16(b) **Relaxation:** The Commission may relax any of the requirements of the Public Offering Regulations, 2017 for privatization of government owned entities by Privatization Commission through capital market.]

CHAPTER IX

Functions and responsibilities

17. General responsibilities of the Consultant to the Issue, [2][omitted]Underwriter, Banker to an Issue and Issuing and Paying Agent: The Consultant to the Issue, [omitted] Underwriter, Banker to an Issue and Issuing and Paying Agent shall –

(1) make all efforts to protect the interests of investors.

(2) maintain high standards of integrity, dignity and fairness in the conduct of its business.

(3) fulfill its obligations in a prompt, ethical, and professional manner.

(4) at all times exercise due diligence, ensure proper care and exercise independent professional judgment.

(5) endeavor to ensure that inquiries and complaints from investors are dealt with in a timely and appropriate manner;

(6) avoid conflict of interest and make appropriate disclosure to the customers of their possible source or potential areas of conflict of duties and interest which would impair their ability to render fair, objective and unbiased services;

(7) ensure that they have made the reporting lines and compensation arrangements for their employees in a way to eliminate or effectively manage actual and potential conflicts of interest;

(8) ensure that their directors and employees shall not directly or indirectly indulge in any insider trading or other market abuses;

(9) have internal control procedures and financial and operational capabilities which can be reasonably expected to protect its operations, its customers, investors and other regulated persons from financial loss arising from theft, fraud, and other dishonest acts, professional misconduct or omissions;

(10) be responsible for the acts or omissions of its employees in respect of the conduct of its business;

(11) frame policies and procedures to ensure compliance with the requirements of these Regulations by its employees;

1 Inserted vide SRO 819(I)/2020 dated September 7, 2020
[2] Omitted the words “Book Runner” vide S.R.O.1477(I)/2025 dated August 6, 2025

(12) ensure that communications with the securities exchange and the Commission are kept confidential, except as required to be disclosed to the customers;

(13) render only such services as agreed in writing with their customer and are not prohibited under these Regulations and any other applicable law;

(14) Maintain a functional website containing all public information about the issue and mechanism for handling of complaints;

(15) inculcate a culture of compliance of the regulatory requirements through ongoing education and training of their employees.

(16) ensure that internal control policy is widely disseminated for compliance by all employees and is reviewed for appropriateness and sufficiency by the competent authority at least once every year;

(17) promptly investigate, in the event of a breach of policies, procedures, controls or misconduct, and take appropriate steps to rectify the weaknesses, if any, to prevent recurrence of such breach;

(18) Employ sufficient human resource which is adequately trained to efficiently perform its functions;

(19) Submit any document, report or information as and when required by the Commission;

(20) ensure that annual review, for appropriateness and sufficiency, of the internal control system is carried out by the internal audit department, which reports directly to the board of directors or its audit committee.

(21) ensure that any change in license status, any penal action against it or any material change in its financial and operating position which may have adverse effect on the interest of the Issuer, or investors is promptly notified to the Issuer, the offeror, the Commission and the securities exchange;

(22) ensure that all information provided to the securities exchange and Commission is true, accurate and no material fact is omitted or suppressed; and

(23) in case of consultant to the issue give, directly or indirectly, any investment advice about any security in the media unless a disclosure of its interest in the said security is made, while giving such advice.

18. Functions of the Consultant to the Issue.– The Consultant to the Issue shall perform the following functions, namely:-

(1) preparation of prospectus, and related documents and ensuring that the same are prepared in accordance with the requirements of the applicable laws including section 89 of the Act, these Regulations, regulations of the securities exchange and other applicable regulatory framework;

(2) before submitting the application to the securities exchange under section 19 of the Act, the Consultant to the Issue shall examine the proposed issue from various aspects including eligibility requirements and suitability of the Issuer or security for listing considering the interest of general public and its benefits to the capital market.

[1][ ]

(3) give justifications in support of the offer/ Floor Price set by the Issuer under a separate section titled as "Valuation section " in the prospectus.

(4) assist in the execution of agreements of the issuer with underwriters, bankers to an issue, [2][omitted] Designated Institution, debt security trustee, issuing and paying agent ,balloter and transfer agent and investment agent;

(5) on behalf of the Issuer, seeking the approval of the securities exchange under section 19 of the Act and Commission under section 87 and 88 of the Act;

(6) preparation and publication of prospectus and advertisements with regard to public issue;

(7) ensure that the public offering including book building is carried out in accordance with the prospectus and requirement of these Regulations and the Act;

(8) preparation and submission of final report on the issue to the Commission;

(9) comply with all the applicable directives and orders issued by the Commission; and

(10) any other related function as may be specified by the Commission from time to time.

19. Responsibilities of the Consultants to the Issue.– (1) The Consultants to the Issue shall.-

(i) ensure that, after having made due and careful enquiry, they have reasonable grounds to believe that-

(a) the application submitted to the securities exchange under section 19 of the Act and the prospectus submitted to the Commission under section 87 and 88 of the Act meets the relevant requirements of the Act, these Regulations, regulations of the securities exchange and other applicable regulatory framework; and

(b) the documents, reports, statements and information submitted along with the aforesaid application and prospectus are not false or misleading and do not contain any material omission;

[3][(ia) submit a Due Diligence Certificate to the Commission and Securities Exchange as per **First Schedule-D**.]

(ii) ensure that adequate disclosures are made to the investors in a timely manner so as to enable them to make a balanced and informed decision.

1 Deleted the text "Explanation: The term suitability with regard to listing includes assessing various risks involved such as sector risk, operational risk, legal risk, etc., track record of sponsors, quality and capability of the management, past financial performance of the Issuer, future strategies of the Issuer, dividend payout history, financial projections, financial viability, dividend policy, etc." vide SRO 1619 (I)/2019 dated December 26, 2019

[2] Omitted the words "book runner" vide S.R.O.1477(I)/2025 dated August 6, 2025

[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

(iii) endeavor to ensure that the investors are provided with true and adequate information without making any misleading or exaggerated claims or any misrepresentation and are made aware of the associated risks before taking any investment decision.

(iv) obtain from their employees an undertaking stating therein that they will not misuse their position of having access to non-public information, if any, relating to the issue for their personal benefit or for the benefit of any other person who does not have or is not authorized to have access to such information;

(v) actively participate in preparation of the prospectus and ensure that all material facts, including all potential risks, as required under the law are disclosed therein and that the Issuer is compliant with all the laws applicable to the issue of securities;

(vi) remain associated with the issue till its completion i.e. [1][ ] credit of securities, submission of final report to the securities exchange and Commission, resolution of the issue related complaints, if any, and implementation of final decision of the Commission on application rejected, if any.

(vii) ensure that they understand the nature of business of their customer.

(viii) ensure that their customer is fully briefed on its obligations and potential liabilities pertaining to its application and supporting documents including the prospectus, in relation to the requirements stipulated by the Commission.

(ix) ensure that their customer has been made aware of the need for it to extend its full cooperation in the provision and verification of information for the purposes of the assignment;

(x) withdraw from the assignment in case their customer fails or refuses to address its concerns about the issue or any related information provided to it.

[2][(xi) provide coverage to the issue and the Issuer for at-least one year subsequent to the Public Offer and for said purpose, Consultant to the Issue shall publish quarterly reports.]

(2) The Consultants to the Issue shall not-

(i) make any false statement, whether oral or written, either about their qualifications or capability to render services or their achievements with regard to services rendered to their potential customers;

(ii) make unsubstantiated claims or statements, in order to acquire business from the customer, about qualifications of their professional staff or their capability to render certain services or their achievements concerning the consultancy services rendered by them;

(iii) submit any document or report to the Commission that contains any untrue or false statement, or any material fact omitted therefrom;

(iv) agree to manage or be associated with any issue as consultant unless its

1 Deleted the words “dispatch and” vide SRO 7(I)/2018 dated January 5, 2018
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

responsibilities relating to the issue are clearly determined through an agreement in writing; and

(v) be a party to or instrumental for -

(a) creation of false market;

(b) price rigging or manipulation or;

(c) Conveying of non-public price sensitive information in respect of securities proposed to be listed in securities exchange to any person.

[1][20. Functions/Responsibilities of the Eligible Participant for Book Building. –

(1) The Eligible Participant for Book Building shall perform the following functions:

(i) Establish bidding accounts in the book building system for proprietary participation.

(ii) Register bidders and create bidding accounts for the bidders for participation in the bidding:

Provided that Eligible Participants that are Mutual Funds, Development Finance Institutions, and Banks can only create bidding account for proprietary participation and cannot on board/register bidders or create bidding account of the bidders for participation in the bidding.

Provided further that the Bank and Development Finance Institution acting as Consultant to the Issue in the public offering transaction shall be allowed to onboard/register bidders or create bidding account of the bidders for participation in the bidding.

(iii) Eligible Participant shall collect advance/margin money against bids from the bidders based on their own risk assessment criteria and deposit the same with the NCCPL.

(iv) Eligible participant shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.]

21. Responsibilities of Banker to an Issue: .— The Banker to an Issue shall.-

(1) ensure that information related to the subscription of the issue is provided to the Issuer, within the time period and in the form and manner as disclosed in the prospectus or as required under the agreement executed with the them;

(2) in case of Application Supported by Blocked Amount, on receipt of the application, immediately block the bid money or subscription money in respective account of the bidder or the subscriber;

(3) Upon receipt of information from the [2][omitted] balloter and share registrar, immediately unblock [3] [omitted] subscription money of the unsuccessful

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the words “book runner and” vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted the words “the bid money or” vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][omitted] subscribers;

(4) Immediately inform the Commission regarding any penal action, legal proceedings initiated against it by the State Bank of Pakistan;

(5) not accept applications for subscription of securities and subscription money thereof after closing of the subscription period.

22. Responsibilities of underwriter.– (1) An underwriter shall, -

(i) obtain from its relevant employees, an undertaking stating therein that they will not misuse their position of having access to the non-public information, if any, relating to the Issue being underwritten for their personal benefit or for the benefits of any other person who does not have or is not authorized to have access to such information;

(ii) ascertain before entering into an underwriting agreement that the regulatory requirement, if any, relating to the exposure limits on investment in securities are not breached in case it is called upon to fulfill its commitment of subscribing the unsubscribed portion of an Issue pursuant to the underwriting agreement;

(iii) in the event of being called upon to subscribe to the securities underwritten pursuant to an agreement, subscribe such securities within such time as specified in the agreement but it shall not exceed fifteen days starting from the date of Issue of such intimation, notice, invitation by the Issuer;

(iv) sell the securities subscribed pursuant to the underwriting agreement in the secondary market or to persons other than the directors, sponsors and associates of the Issuer;

(v) Publish its entity credit rating in its periodic financial reports, and each advertisement and brochure, if any, in relation to promotion of its business;

(2) The underwriter shall not,-

(i) enter into any buy-back or repurchase arrangement with the Issuer or any other person with respect to the securities underwritten by it;

(ii) derive any undue benefits directly or indirectly, from any underwriting transaction other than the commission payable to it under the underwriting agreement;

(iii) make any oral or written statement, which would misrepresent its underwriting commitment;

(iv) give, directly or indirectly, any investment advice about any security in the media unless a disclosure of its interest in the said security is made, while giving such advice;

(v) willfully make false statement or conceal any material fact in any document, report or paper furnished to the Commission;

(vi) participate itself or through its associates for the subscription of shares out of

[1] Omitted the words “bidders or” vide S.R.O.1477(I)/2025 dated August 6, 2025

retail portion of an issue which is underwritten by it;

(vii) be party to or instrumental for creation of false market;

(viii) be party to or instrumental for price rigging or manipulation;

(ix) be party to or instrumental for passing of unpublished price sensitive information in respect of securities which are listed or proposed to be listed on the securities exchange to any person or intermediary;

(x) undertake underwritings commitments exceeding four times of its equity (excluding unrealized gains and revaluation surplus) as per its latest audited financial statements at any time.

Provided that any subsequent agreement by the underwriter to the issue with other underwriters [1][duly licensed by the Commission] may be excluded while arriving at exposure limit of an underwriter in respect of its commitment.

23. Responsibilities of Issuing and Paying Agent.— The issuing and Paying Agent shall,-

(1) enter into an agreement in writing with the Issuer to act as Issuing and Paying Agent for the issue;

(2) ensure that the conditions laid down for the issuance of debt securities are strictly adhered to;

(3) ensure that the Issuer has the minimum credit rating as specified in these Regulations;

(4) ensure that the Issuer has met all the requirements as prescribed in these Regulations before the issuance of debt securities;

(5) obtain copies of all the investor agreements i.e. the agreements executed with the initial subscribers and the said agreements contain salient features and other terms and conditions of the issue including the following,-

(i) covenants of the issue of debt securities;

(ii) non availability of any recourse to the initial subscribers on the Issuer and Issuing and Paying Agent and to the subsequent purchasers on the sellers in the secondary market;

(iii) non availability of any guarantee by any bank or other financial institution;

(iv) default history of the Issuer including rescheduling/restructuring of loan for the last 5 years; and

(6) verify all the documents submitted by the Issuer i.e. copy of Board's resolution etc. and have in custody certified copies of the original document and issue a certificate that documents are in order;

1 Inserted vide SRO 7(I)/2018 dated January 5, 2018

(7) Place specimen of the investors' agreement between the Issuer and the subscribers containing minimum terms and conditions on its website.

(8) on the issue date, deliver debt securities to investors against proof of payment and at maturity, after receiving funds from the Issuer, effect repayment on receipt of the debt security from the investors;

(9) make it clear to the initial subscribers in the investor agreement and the general public in the prospectus that their investment is subject to credit and other risks inherent in such instruments and payment would be made to them after the Issuer has made the funds available to Issuing and Paying Agent;

(10) inform the initial subscribers that in case of any default by the Issuer, it will not be in a position to seek recovery from the Issuer or initiate any action against the Issuer either on its own or on behalf of the investors;

(11) in case of any default by the Issuer, be responsible for the immediate notification of such default to the holders of the debt security and the Commission

Explanation.— For the purpose of these Regulations the term "default" shall include partial payment of redemption amount instead of full amount.

(12) in case of partial payment by the Issuer, distribute the received funds, among all the holders of the debt securities, on pro-rata basis and while doing so it shall take all necessary measures to safeguard its position against any adverse consequences including incorporation of this provision in the agreement executed between the Issuer and the Issuing and Paying Agent;

(13) submit a report on the issue to the Commission within fifteen days from the last date for closing of the subscription of the debt security and the report shall contain all the material facts and figures relating to the issue including those as required under these Regulations to be reported to the Commission; and

(14) obtain from the concerned depository company list of debt security holders on monthly basis.

24. Responsibilities of Designated Institution in case of book building.— (1) The Designated Institution in case of book building system shall perform following functions namely;

(i) record name, Unique Identification Number (UIN), National Tax Number (NTN), postal and email addresses, land line and cell numbers, bank account Number and branch address and Investor Account Number or Sub-Account Number of the bidder with participant account number;

(ii) provide a mechanism for registration of the bidders before commencement of the bidding period till 03:00 p.m. on the last day of the Bidding Period and require the investors to provide at least such information as mentioned in para (i) above;

(iii) generate bidders' Internet Protocol (IPs) address and keep record of all IP addresses from where the bids are placed;

(iv) record the number of shares bid for, the Bid Price, type of the bid i.e. Limit Bid or Step Bid, date and time of the entry of the bid;

(v) display the bids revised, and date and time of upward revision;

(vi) [1][neither allow withdrawal of bid, nor] accept the bids placed at a Bid Price that is below the Floor Price [2][or above the upper limit of the Price Band];

(vii) display live the total number of shares offered for sale, the Floor Price, [3][Price Band,] total number of bids received, total number of shares bid for and indicative Strike Price;

(viii) build an order book showing demand for the shares at various price levels in a descending order along with the accumulated number of shares bid for and percentage of total shares offered under the Book Building Portion;

(ix) discover the strike price at the close of the Bidding Period;

(x) generate alerts for the Bidders via Short Message Service through cell phones and emails upon entry of the bid, at the time of upward revision of the bid, and upon discovery of the strike price; and

(xi) ensure that system must provide the bidders the option to [4][omitted] revise their bids [5][omitted] during the period permitted under these Regulations;

(2) The Designated Institution shall ensure that:

(i) identity of the bidder is not displayed; and

(ii) no bid is entered into the System after closing of the Bidding Period;

25. Repeal and Savings (1) The following shall stand repealed;

(i) Book Building Regulations, 2015

(ii) Guidelines for issuance of Prospectus,2002

(iii) Guidelines for Issuance of Term Finance Certificates To The General Public, 2002

[6][(iv) Circular No. 16 of 2023 dated November 08, 2023 Adoption of revised timelines for approval of IPO application and listing of Securities]

(2) Save as otherwise specifically provided, nothing in these Regulations shall affect or be deemed to affect anything done, action taken, registration granted, investigation or proceedings commenced, order issued, relaxation granted unless withdrawn, appointment, conveyance, mortgage deed, document or agreement made, fee paid or accrued, resolution

1 Substituted for the word "not" vide SRO 7(I)/2018 dated January 5, 2018
2 Inserted vide SRO 7(I)/2018 dated January 5, 2018
3 Inserted vide SRO 7(I)/2018 dated January 5, 2018
4 Omitted the word "upward" vide S.R.O.1477(I)/2025 dated August 6, 2025
5 Omitted the text "online or through the Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
6 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

passed, direction given, proceedings taken or instrument executed or issued, under the repealed regulations and guidelines and any such thing, action, investigation, proceedings, order, appointment, conveyance, mortgage deed, document, agreement, fee, resolution, direction, proceedings or instrument shall if in force at the coming into force of these Regulations and not inconsistent with any of the provisions of these Regulations, continue to be in force, and have effect as if it were respectively done, taken, commenced, made, directed, passed, given, executed or issued under these Regulations.

SCHEDULES
[1][FIRST SCHEDULE
FORMAT OF THE PROSPECTUS[2][, DISCLOSURE REQUIREMENTS] AND REPORTS TO BE SET OUT THERE IN

Section 1

Format of the prospectus

- [3][In case of Initial Public Offering of shares by unlisted company.
- In case of Public Offering of debt securities, other than short term debt securities by unlisted company.
- In case of Initial Public Offering of units of the REIT Scheme.
- In case of Initial Public Offering by a SPAC.]

1. Cover Page:

(i) The following statement should appear on the upper most top in bold capital letters: -

"ADVICE FOR INVESTORS
INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, ESPECIALLY THE RISK FACTORS GIVEN AT PART --- BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE & FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015."

(ia.) The following additional statement should appear in case of offering of equity securities: -

"Investment in equity securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on the examination of the issuer and the offer including the risks involved as disclosed at Part …… of the Prospectus

[4][(ib) The following statement should appear in case of SPAC:

- The money raised through IPO will be used for acquisition of company(ies) or merging with company within a period of three years from the date of listing of SPAC on the exchange.

- SPAC currently does not have any specific business combination under

1 Substituted for the entire **FIRST SCHEDULE vide SRO 1619 (I)/2019 dated December 26, 2019**
2 Inserted vide SRO 819(I)/2020 dated September 7, 2020
3 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
4 Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

consideration and that the SPAC's officers and directors have neither individually selected nor considered a target business for the business combination nor have they had any discussions regarding possible target business among themselves. (If applicable)]

(ii) The following statement should appear in case of offer of shares through book building after the **above-mentioned** statement: -

"ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NET WORTH INDIVIDUAL INVESTORS

A SINGLE INVESTOR CANNOT SUBMIT MORE THAN ONE BIDDING APPLICATION EXCEPT IN THE CASE OF UPWARD REVISION OF BID. IF AN INVESTOR SUBMITS MORE THAN ONE BIDDING APPLICATION THEN ALL SUCH APPLICATIONS SHALL BE SUBJECT TO REJECTION.

SUBMISSION OF CONSOLIDATED BIDIS PROHIBITED UNDER THESE REGULATIONS. A BID APPLICATION WHICH IS BENEFICIALLY OWNED (FULLY OR PARTIALLY) BY PERSONS OTHER THAN THE ONE NAMED THEREIN SHALL BE DEEMED TO BE A CONSOLIDATED BID.

PLEASE NOTE THAT A SUPPLEMENT TO THE PROSPECTUS SHALL BE PUBLISHED WITHIN THREE WORKING DAYS OF THE CLOSING OF THE BIDDING PERIOD WHICH SHALL CONTAIN INFORMATION RELATING TO THE STRIKE PRICE, THE OFFER PRICE, NAMES OF THE UNDERWRITERS OF THE RETAIL PORTION OF THE ISSUE IF ANY, UNDERWRITING COMMISSION, BIFURCATING AS TAKE UP COMMISSION OR ANY OTHER, COMMITMENT BY THE SUCCESSFUL BIDDERS FOR SUBSCRIBING THE UNDERSUBSCRIBED RETAIL PORTION IN CASE OF HUNDRED PERCENT BOOK BUILDING, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES ALLOCATED TO THEM, DATES OF PUBLIC SUBSCRIPTION AND SUCH OTHER INFORMATION AS SPECIFIED BY THE COMMISSION"

(iii) Full name of the Issuer (including previous name, if any) along with logo/monogram, if any, date and place of its incorporation, incorporation number, address of its registered and corporate offices, telephone number, contact person, website address and e-mail address.

(iv) In case of offer for sale, full Name of the Offeror and the following statement:

"THIS IS NOT A PROSPECTUS BY [… NAME OF THE ISSUER …] (THE "COMPANY") BUT AN OFFER FOR SALE BY THE […NAME OF THE OFFEROR …] (THE "OFFEROR") FOR OFFER FOR SALE OF SHARES HELD IN THE COMPANY."

(v) Total issue size i.e. the number of securities to be offered with breakup of pre-IPO preferential allocation, if any; allocation to book building portion, in case of book building; allocation to retail investors; and allocation under the green shoe option, if any. In case of shelf registration, the total approved issue size, the size of the current tranche and the time period of shelf registration.

(vi) The offer price, the Floor Price, the Price Band, in case of book building.

(vii) In case of book building, dates for registration of the bidders; dates of bidding i.e the bidding period along with timing.

(viii) Date(s) of public subscription along with timing in bold letters.

(ix) Name of the consultants to the issue, [1][Eligible Participants for Book Building], the bankers to an issue; web link along with timing through which e-application for subscription of securities can be submitted; and names of the underwriters.

(x) Disclosure regarding availability of Centralized E-PO System and any other additional electronic system offered for Public Subscription.

(xi) Contact details of at least two relevant persons of the Issuer, consultants to the issue, [2][omitted] and Underwriter, if any, well conversant with the issue who could be contacted by the investors, if needed.

(xii) Website addresses from where the prospectus, application and bidding forms can be downloaded.

(xiii) Date of publication of the prospectus.

(xix) Name of the securities exchange where the specified securities are proposed to be listed.

(xv) Additional information in case of issuance of debt securities:

(a) Entity and instrument rating,

(b) name of the rating agency;

(c) tenor;

(d) name of Shariah advisor/Shariah board (in case of issuance of Islamic debt security or such other securities which are claimed to be Shariah compliant); and

(e) rate of profit.

2. Inside Cover Page:

(i) The following undertaking by the Issuer:

"WE …….THE CHIEF EXECUTIVE OFFICER AND……. CHIEF FINANCIAL OFFICER ……CERTIFY THAT;

(1) THE PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;

[1] Substituted for the words "book runner in case of book building" vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the words "Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025

(2) THE INFORMATION CONTAINED IN THE PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF;

(3) THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;

(4) THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING; AND

(5) ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED."

(6) NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS PROSPECTUS.

For and on behalf of (… Name of the Issuer…and in case of an offer for sale … name of the offeror…)

……..Sd-……	**…….Sd-……**
Name of the Chief Executive Officer	**Name of the Chief Financial Officer"**

(ii) In case of book building, a supplement to the prospectus as per the following format.
"Supplement to the Prospectus

This Supplement is being published pursuant to Public Offering Regulations 2017 and in continuation of the prospectus of …(name of the Issuer)… earlier published on MM DD, YYYY.

Name of the Issuer…

- Floor Price
- Strike Price
- Issue Price
- Price Band]

Underwriters to the retail portion of the issue if any

S. No.	**Names of underwriter**	**Number of shares underwritten**	**Amount (Rs. in million)**
(i)			
(ii)			
Total			

Underwriting commission (in %age):

Category-wise breakup of successful bidders

S.	**Category**	**No. of**	**Number of shares provisionally**

No.		bidders	allocated
	Institutional Investors:		
	Commercial banks:		
	Development financial institutions		
	Mutual funds:		
	Insurance companies		
	Investment banks:		
	Employees' provident/ pension funds		
	Leasing companies:		
	Modarabas:		
	Securities brokers		
	Foreign institutional investors		
	Any other		
	Institutional Investors		
	Individual investors:		
	Foreign investors:		
	Local		
	Individual Investors		

3. Glossary of Technical Terms: All the technical terms and abbreviations used in prospectus must be defined in the glossary.

4. Definitions

5. Table of Content

6. Part I: Approvals, Consents and Listing on the Securities Exchange:

[1][(i) **Approval of the Securities Exchange and Commission**: Detail of approvals obtained from the Securities Exchange and Commission with respect to the Issue. The details must contain nature of approval, date of approval and relevant law.

The following disclaimer must also be provided:

DISCLAIMER:

(a) The Securities Exchange and Commission has not evaluated the quality of the issue and its approval should not be construed as any commitment of the same. The public/investors should conduct their own independent investigation and analysis regarding the quality of the issue before subscribing.

(b) The publication of this document does not represent solicitation by the Securities Exchange and Commission.

(c) The contents of this document do not constitute an invitation to invest in shares or subscribe for any securities or other financial instrument by the

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

Securities Exchange and Commission, nor should it or any part of it form the basis of, or be relied upon in any connection with any contract or commitment whatsoever of the Exchange and Commission.

(d) It is clarified that information in this Prospectus should not be construed as advice on any particular matter by the Securities Exchange and Commission and must not be treated as a substitute for specific advice.

(e) The Securities Exchange and Commission disclaims any liability whatsoever for any loss however arising from or in reliance upon this document to any one, arising from any reason, including, but not limited to, inaccuracies, incompleteness and/or mistakes, for decisions and/or actions taken, based on this document.

(f) Securities Exchange and Commission does not take any responsibility for the financial soundness of the Company and any of its schemes stated herein or for the correctness of any of the statements made or opinions expressed with regards to them by the Company in this Prospectus.

(g) Advice from a suitably qualified professional should always be sought by investors in relation to any particular investment.]

(v) Statement on filing of the Prospectus and other documents like experts' reports and contracts mentioned in the Prospectus, with the registrar of companies.

(vi) Statement about making of application to the securities exchange for listing of the Issuer, in case of unlisted entity.

7. Part II Summary of the Prospectus:

This part shall contain summary of the following information, as applicable:

i. Primary business of the Issuer and the industry in which it operates;
ii. Names of the Sponsors;
iii. Salient features of the Issue including method of offering;
iv. Pre and Post issue shareholding of the Sponsors;
v. Principal purpose of the Issue and utilization of the proceeds;
vi. Cross-reference to the Part--- titled Valuation Section.

vii. Qualified opinion, if any given by the auditor during the last three financial years.
viii. Following details as per the financial statements for last 3 years or for a shorter period if 3 years of commencement of business are not completed in tabular format and cross reference to the Part ------ titled financial information:
   a. Share capital;
   b. Net Worth;
   c. Revenue;
   d. Gross margin
   e. Operating margin
   f. Profit after tax;
   g. Profit after tax margin;
   h. Earnings per share;
   i. Breakup value per share;
   j. Total borrowings as per the balance sheet;

k. Total debt to equity ratio;
l. Cash flow from operations

ix. Summary table of outstanding legal proceedings other than the normal course of business against the issuer its sponsors, substantial shareholders, directors or its associated group companies, over which the issuer has control, that could have material impact on the issuer and a cross-reference to the Part --------- titled "Legal proceeding and Overdue Loans"

x. Cross-reference to the Part ------ titled 'Risk Factors'

xi. Summary of related party transactions for last 3 years

8. Part III Overview, History and Prospects*:*

[1][(i) Background and history of the company including its name, registration number, date of incorporation, date of commencement of business, date and complete details of the Issuer's change from partnership to a company or conversion of limited liability partnership into a company, where applicable, including the predecessor legal status, name of the former entity, name of the partners and the manner of transfer of assets, liabilities, and business operations etc., date of conversion into public limited company, description of the business including core and others, if any.]

(ii) Pattern of shareholding of the company.

(iii) revenue and cost driver of the company in detail

(iv) Organizational structure of the company; group information, if any;

(v) Major events in the history of the issuer such as:
a) Significant financial or strategic partnerships as per Issuer.
b) Time/cost overrun in setting up projects.
c) Capacity enhancement, location of plants.
d) launch of key products or services.
e) entry in new geographies or exit from existing markets.
f) Key awards, accreditations or recognition .
g) Defaults or rescheduling/ waiver / restructuring of borrowings with financial institutions/ banks.

(vi) Nature and location of the company's projects, if any; current implementation and operational status of the projects; nature and type of plant and machinery; total capacity and capacity utilization; financial plan with detailed breakup, in case the proceeds of the issue are to be used for financing a project.

(vii) Infrastructure facilities like roads, buildings, housing colonies; utilities like water, electricity; raw materials.

(viii) Product or services of the issuer:
a) Nature of the product(s)/services
b) Approach to marketing of products and services

[1] Substituted for the text "Background and history of the company including its name, registration number, date of incorporation, date of commencement of business, date of conversion into public limited company, description of the business including core and others, if any." vide S.R.O.903(I)/2026 dated May 25, 2026.

(ix) End users, demand for the products, names of the competitors.

(x) Intellectual property rights

(xi) Details of material property

(xii) Future prospects, demand outlook.

(xiii) Vendors to the issuer

(xiv) Approvals: All government and other approvals which are material and necessary for carrying on the business of the issuer.

(xv) Group Structure of the Issuer showing shareholding in relative and absolute term.

(xvi) Details regarding Associated companies of the issuer including:

a) Name of company
b) Nature of business
c) Nature of relation
d) Shareholding of Issuer

(xvii) Related parties' transactions, if any and their significance on the financial performance of the Issuer.

(xviii) Performance for the last three years, of associated listed companies of the Issuer over which the issuer has control along with following information:

a) Name of the company;
b) Date of incorporation;
c) Registration number;
d) Nature of business
e) date of listing;
f) Paid-up-capital; equity; total assets; total liabilities; profit before and after tax; rate of cash dividends paid; break-up value per share; earning per share, return on equity and return on assets.

(xix) Industry overview and sector analysis.

9. Part IIIA. Share Capital and Related Matters

(i) Share Capital in tabular form (both existing and post IPO) along-with necessary notes relating to the issued and allocated shares, if any.
(ii) Pattern of shareholding of the issuer in both relative and absolute terms.
(iii) Number of shares held by the sponsors of the Issuer that shall be kept in blocked form as per regulation 5 of these regulations.
(iv) Present issue size of the issue with detailed break-up of allocation to Pre-IPO investors including their names, employees, non-resident Pakistanis etc., if any and general public.
(v) Details of Green Shoe Option, if any:
(a) Maximum number of equity shares under green shoe option
(b) Maximum amount of funds to be received by the issuer in case of oversubscription.

(vi) Break up of shares issued during preceding years.
(vii) Bonus shares, right shares and non-cash shares issued during the preceding years.
(viii) Details of employee's stock option scheme, if any offered to the employees.
(ix) Shares issued at a price lower than the offer price during the preceding one year.
(x) Undertaking from the Sponsors of the Issuer that IPO proceeds shall be utilized as per the purpose disclosed in the prospectus.

10. Part IV. Principal Purpose of the Issue and funding arrangements:

a. Details of the principal purpose of the issue.

b. Additional disclosures relating to purpose of the issue shall be made in case of the following:

i. One of the purpose of the issue is to finance a project:

Details of:

(a) location of the project;
(b) plant and machinery, technology, process, etc.;
i) Details shall be given in a tabular form, which shall include the details of the machines required to be bought by the issuer, cost of the machines, name of the suppliers, date of placement of order and the date or expected date of supply, etc.
ii) The percentage and value terms of plant and machinery delivered
iii) The percentage and value terms of the plant and machinery for which orders are yet to be placed.
(c) The details of the second hand machinery bought or proposed to be bought, if any, including the age of the machines, balance estimated life, performance guarantee etc.
(d) The following information regarding persons or entities with whom technical agreement, if any have been entered into shall be given:
i) [1][omitted]
ii) Nature of business
iii) [2][omitted]
iv) [3][omitted]
v) [4][omitted]
vi) general information relevant to the issuer.

ii. One of the purpose of the issue is to finance working capital:
(a) Basis of estimation of working capital requirement
(b) Reasons for raising additional working capital.

iii. One of the purpose of the issue is to purchase Plant/ Equipment/ Technology:
a. Details in a tabular form, which shall include the details of the equipment required to be bought by the issuer, cost of the equipment, name of the suppliers, date of placement of order and the date or expected date of supply, etc.

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

b. The percentage and value terms of the equipment delivered
c. The percentage and value terms of the equipment for which orders are yet to be placed.
d. The details of the second hand equipment bought or proposed to be bought, if any, including the age of the machines, balance estimated life, etc.
e. The following information regarding persons or entities with whom technical agreement, if any have been entered into shall be given:
   i) [1][omitted]
   ii) Nature of business
   iii) [2][omitted]
   iv) [3][omitted]
   v) [4][omitted]
   vi) general information relevant to the issuer.

iv. One of the purpose of the issue is to acquire Land:
   a. location of the land
   b. area of the land
   c. estimated cost of the land
   d. Details of whether the land has been acquired by the Issuer
   e. Title of the land.

[5][iva. One of the purpose of the issue is to acquire land from associated/related party:
   a. Location of the land
   b. Area of the land
   c. Title of the Land
   d. Valuation of land by Pakistan Engineering Council registered valuer]

v. One of the purpose of the issue is loan repayment:
   (a) details of loan proposed to be repaid such as name of the lender, brief terms and conditions and amount outstanding;
   c. Requirement of Funds.
   d. Details of source of funding.
   e. Status of debt financing, if any.
   f. Details regarding financial close of the project.
   g. Details of letter of credit, if applicable.
   h. Utilization of the proceeds at Floor Price:
   i. Utilization of excess IPO funds, in case the strike price is determined above the floor price.
   j. Breakup of the funds required and funds already deployed
   k. Implementation schedule of the project like land acquisition, execution of civil works, installation of plant and machinery, date of trial production, date of commercial production.
   l. Details regarding implementation of the project.
   m. Pre and post expansion production capacity of the Issuer, if applicable.

[6][10A. Part IV (AI): Post Issue Matters. (Reporting and Exit Opportunity)

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

i. Post issuance reporting requirements as per regulation 16 of these regulations,
ii. Exit Opportunity Mechanism as per regulation 16(a) of these regulations.]

11. Part IVA: Valuation Section

[1][(i) Justifications given by the Consultant to the Issue, if any or the Issuer in support of the Offer/Floor Price and the price band. The justification must include appropriate valuation models, including the Discounted Cash Flow (DCF) Model, Dividend Discount Model (DDM), and/or Gordon Growth Model (GGM).

Provided that following disclaimer shall also be added:

"*The offer price/floor price and price band are set by the Issuer and Consultant to the Issue using appropriate valuation models, and that the Commission and the Securities Exchange have neither assessed nor validated the pricing or the underlying valuation model. The Commission and the Securities Exchange do not assess, validate or endorse the price of a transaction, as pricing is purely a function of market forces; whereby minimum price is determined by the Consultant to the Issue/Issuer and final price is set by the investors."*]

(ii) Disclosure of Post issue Free Float both in terms of the number of shares and percentage.

(iii) Disclosure of Peer group comparison with respect to the following:

a. Earning per share;
b. Book value per share;
c. Market value per share;
d. P/E multiple;
e. P/B multiple;
f. Return on Equity;
g. Return on Assets; and
h. Free Float as number of shares as well as in percentage

12. Part V: In case of issue of debt securities (Islamic and conventional): In case of issue of debt securities, the following shall be disclosed, inter-alia,-

(i) Structure of the issue, i.e. issue size with breakup of pre-IPO placement, if any, preferential allocation, if any, and allocation to the general public.
(ii) Salient features of the issue including its tenor, rate of return, denomination of the certificate, market lot, secured/unsecured, credit rating details, purpose of the issue and utilization the proceeds thereof; brief security arrangement with reference to main part on security in case of secured, restrictions and covenants, if any; opening and closing of the subscription list; investors eligibility; facilities available to investors local, foreign and NRPs, minimum application amount and basis of allotment; minimum amount that must be raised; refund/unblocking of subscription money of the unsuccessful applications;

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

issue, credit of securities; procedure for transfer of securities.

(iii) Details of outstanding debt securities issued during preceding years along with date of issue, issue size, amount redeemed, amount outstanding; amount of profit paid; tenor; and credit rating.

(iv) Redemption schedule; redemption reserve, if any.

(v) Interest of the existing holders of the security being issued; nature of the security whether registered or bearer;

(vi) Options like conversion option, put options, call option etc.

(vii) Market Making and liquidity

(viii) Deduction of Zakat

(ix) Taxations, like applicability of tax on income from investment in the security; withholding tax, capital gain tax, stamp duty, capital value tax etc.

(x) Deferred Taxation

[1][(xi) In case of issue of Shariah compliant securities, structure of the instrument, Shariah principle, and Shariah Certificate]

13. Part VI: Risk Factors:

i. Risk factors shall be classified as internal and external risk factor.

ii. Risk factors shall be disclosed in the descending order of materiality.

iii. All possible risk factors relating to business of the company, the project, technology, competition, suppliers, consumers, industry, liquidity, regulatory, changes in Govt. policies, law and order situation, capital market, pending litigations, defaults etc. shall be disclosed.

iv. Additional risk factors relating to the following areas shall necessarily be disclosed in the prospectus, wherever applicable:

a) Approvals that are yet to be received by the issuer;
b) Seasonality of the business;
c) Risk associated with orders not having been placed for plant and machinery in relation to the principal purpose of the issue;
d) Lack of experience of the Management to run the business;
e) If the issuer has incurred losses in the last three financial years;
f) Dependence of the issuer or any of its business segments upon a single customer or a few customers
g) Loans, if any, taken by the issuer and its subsidiaries that can be recalled at any time.
h) In case of outstanding debt instruments, any default in compliance with the material covenants;
i) Default in repayment of loan by the issuer and associated group companies, if any.
j) Potential conflict of interest of the Sponsors, substantial shareholders or directors of the issuer if involved with one or more ventures which are in the same line of activity or business as that of the issuer.
k) Excessive dependence on any key managerial personnel for the project for which the issue is being made.
l) Any material investment in debt instruments by the issuer which are unsecured.
m) Pending legal Proceeding against the issuer and associated group companies, which could have material adverse comments.

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

n) Negative cashflow from operating activities in the last three preceding financial years.
o) Any restrictive covenant that could hamper the interest of the equity shareholders
p) Low credit rating of the Issuer.
[1][q)Financial Risks:

- Qualified opinion issued by the auditor.
- Contingent liabilities as per the latest audited financial statements.
- Legal/Tax proceedings having possible material impact on the company.
- Overstated EPS due to non-recurring items.
- Bad debt and high receivable turnover ratio as compared to industry.
- Obsolete inventory or slow-moving inventory or high inventory turnover.
- Portfolio investment risk, if company is managing portfolio of financial assets.
- High debt to equity ratio or capital structure ratios.
- High cash conversion cycle.
- Presence of intangible assets on books of accounts, accounting for 30% or more of the total assets.

r) Project Related Risks:

- Financial close of the project not achieved.
- Suppliers of Plant and Machinery not yet identified.
- No agreement in place for purchase of land.
- Land for project not yet identified.
- Material Agreements not in place.
- Track record of the issuer, sponsors, directors and substantial shareholders with respect to project implementation.
- Order not been placed for Plant and Machinery.
- Regulatory approvals that are yet to be obtained for project implementation.
- High dependence on internal cash flows or contribution from third party for project implementation.
- Expected cost overruns in implementation of the project due to uncertain economic conditions.
- No EPC or Turnkey contractor appointed for implementation of the project.
- Cost of project based on management's estimates instead of third-party feasibility report.
- Investment in Green field Project.

s) Business Risk:

- Monopoly due to some regulatory protection.
- High dependence on few customer/suppliers.
- Limited raw material suppliers.
- No agreement in place with major customers/suppliers.
- Short term agreements with major customers/suppliers.
- Unique and complex structure adopted for business operations.
- High dependence on associated companies for running business operations or generating revenue.
- High dependence on one product for revenue generation.

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

- Dependence on growth of other sectors for revenue generation.
- Insurance contract(s) not in place for running business operations.
- Higher dependence on non-core items as compared to core items for profit generation.

t) Regulatory Risks:
- Imposition of duties/taxes making the product unviable.
- Withdrawal of regulatory duties making the product unviable.

u) Dependence on few customers/suppliers/products/technologies:
- Dependence of Company on one or two major products or services.
- Customer Concentration risk: 50% or more of company's revenue is coming from one or two major customers.
- Supplier concentration risk: 50% or more of company's purchases is coming from one or two major suppliers.
- Dependence of company heavily on technology and is subject to risk of obsolescence impacting profitability.
- Majority of customers have not continued to purchase company's product during the last couple of years.

v) License/regulatory Approvals:
- Necessary approvals are not in place and are required for continuity or initiation of business/project.

w) Regulatory duties:
- Business continuity/profitability is highly dependent on the regulatory protection provided by the Government in form of duties or anti-dumping duties.

x) Financial performance:
- Company is not profitable during the last two years – incorporation of loss-making disclosure.
- Cash flow from operations in negative.
- Dividend Policy depicting inability of the company to pay dividend in coming years.
- Flexible credit sale policy and poor recovery mechanism – high receivable turnover (days) or high bad debts.
- Audited financial information of the entity formed as the result of merger or acquisition transaction is not available.
- Any financial covenant imposed by the financiers restricting distribution of dividend. Inability of the company properly service its debt and financial commitment.

y) Non-recurring items/transactions:
- Exaggerated EPS or BVPS due to non-recurring items.

z) Capital Structure:
- Low debt to equity ratio due to revaluation surplus.
- High Debt to equity ratio.

Aa) Manufacturing process/Capacity Utilization:
- Enhancement of production capacity of product that is currently underperforming.

Ab) Supply Chain:
- Majority of raw material is imported from other countries and is subject to supply chain risk.

Ac) Agreements:

- No agreement with major customers, suppliers and distribution partners or short-term agreement with major customers, suppliers and distribution partners.
- No agreement in place with suppliers of Plant and Machinery, which may cause delay in commissioning the project.
- No EPC/Turnkey contractor for implementation of the expansion project.

Ad) Litigation:

- No provisioning relating to different litigation mounts.
- Pending legal proceedings having substantial financial impact.

Ae) Market conditions/Pandemic:

- Delay in commissioning of the Project due to pandemic or unforeseen circumstances.
- Increase in market interest rates and underlying inflation impacting return and instrument value.

Af) Transaction Structure:

- Unique transaction structure involving utilization of IPO proceeds for investment in associated green field project.
- Unique transaction structure that involves raising funds, in addition to the IPO from associated concerns or related parties through right or other than right issue for investment in project.

Ag) Experience:

- Tapping new markets and segments without any past experience/expertise or formal commitment.

Ah) Other Risks:

- Political uncertainty impacting policies.
- Forward looking statements in the Prospectus.
- Special Purpose Acquisition Transaction.
- Pandemic or global outbreak of disease.
- Possible law and order situation impacting revenue and profits.
- Transfer pricing element, in case products/items are bought or sold from/to associated persons undertakings.

Instructions: While drafting risk disclosures, potential/possible impact of each of the areas identified above on the issue, the Issuer, financial performance, project etc. where applicable, must be clearly mentioned.]

[1] [iva. In case of a partnership or a limited liability partnership or a carved-out business division of a company, a comprehensive disclosure of following risk factors, where applicable:

i. standalone financial performance;
ii. operational and integration risks;
iii. change in management;
iv. dependence on parent entity or company;
v. non-transferability or delay in transfer of licenses and approvals; and
vi. customer and supplier risks.]

v. A statement that to the best of our knowledge and belief all risk factors have been disclosed shall be given immediately after the risk factors.

14. Part VII: Financial Information*:*

(i) Auditor's report as certificate on issued, subscribed and paid-up capital.

[1] Inserted vide S.R.O.903(I)/2026 dated May 25, 2026.

(ii) Auditor's certificate on break-up value per share, free float before and after Issue.

(iii) In case of subsidiaries auditors' certificates based on consolidated accounts of the issuing company.

[1][(iiia) Detailed latest audited accounts of the issuer including notes to the accounts.]

(iv) Latest management/un-audited accounts of the company, if any.

[2] [(v) Summary of financial highlights of the Issuer along with key financial ratios for the last 3 years or for a shorter period if 3 years of commencement of business are not completed. In case of an Issuer which previously operated as a partnership or a limited liability partnership or a carved-out business division of a company, summary of financial highlights and key financial ratios for the last three (03) preceding financial years shall be provided, where applicable.]

(vi) Summary of major items of revenue and expenditure for the last 3 years.

(vii) Bifurcation of revenue with respect to local and export sales, if applicable.

(viii) Summary of revenue on account of major product/major activities.

(ix) In case other income constitute more than 25% of the operating income or 10% of the Revenue, the breakup of the same along with the nature of the income i.e. recurring or nonrecurring.

(x) If a material part of the revenue i.e. 50% or more is dependent upon a single customer or few major customers than the same shall be disclosed.

(xi) If the material part of the company's purchases i.e. 50% or more is dependent upon a single supplier or few major suppliers then the same shall be disclosed.

(xii) Comparative financial analysis with peer group companies. [3][(xiii) In case of equity offering, Summary of financial projections for five years based on reasonable grounds and assumptions. Assumptions must at least cover revenue growth rate, operating profit margin, effective tax rate, and macroeconomic factors:

Provided that the auditor or Consultant to the Issue shall certify that the financial projections are based on reasonable assumptions and use cautionary language with the financial projections.

Provided further that financial projections shall at least cover:

a. Profit and loss statement.
b. Balance sheet.
c. Cashflow statement including free cashflow to the firm and equity holders.]

15. Part VIIA: Revaluation of the assets

Details of valuation, if any, of assets

16. Part VIIB: Dividend policy:

i. Dividend policy: The Issuer shall clearly mention its existing dividend policy, past 5 years dividend track record and future dividend policy. The Issuer shall clearly state the factors on which future dividend payments would depend. These factors may include earnings, capital requirements, contractual obligations including restrictive covenants under financing agreements the Issuer may enter into to finance the fund requirements

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

[2] Substituted for the text "Summary of financial highlights of the Issuer along with key financial ratios for the last 3 years or for a shorter period if 3 years of commencement of business are not completed." vide S.R.O.903(I)/2026 dated May 25, 2026.

[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

for its business activities, applicable legal restrictions and overall financial position and projections of the Issuer.

[1] [The Issuer shall also disclose a non-binding expected dividend pay-out ratio specifically highlighting percentage of earnings to be distributed to the shareholders as dividend in case the company is profitable, has cash and does not intend to pursue any expansion opportunities.

In case, the company does not intend to pay any dividends in near future, the same shall be clearly disclosed in the Prospectus.]

ii. Dividend payout history of listed associated companies over which the Issuer has control.

17. Part VIIC: Credit Rating (in case of debt securities)**:**

(i) Credit rating report in summarized/press release form.
(ii) Complete credit rating report showing instrument or entity rating, whichever is applicable;
(iii) Credit rating of the Issuer for the last three years, if undertaken, along with name of the respective rating agency;

18. Part VIID: Trustee and Security (in case of debt securities)**:**

(i) Details of security and assets backing the instrument including nature of assets, book value of the assets as per the latest audited accounts; nature of charge established in favour of the Trustee, number and nature of charges on the said assets; names of the creditors having charge on these assets; and aggregate amount and type of such borrowing;
(ii) Name of the Trustee, amount or rate of fee payable to the trustee;
(iii) Event of defaults as mentioned in the Trust Deed;
(iv) Circumstance under which security becomes enforceable;
(v) Mechanism for enforcement of security including authority by way of special resolution by the security holders; quorum of the meeting; authority for approval of resolution etc.

[2]**[Part VIIE: Investment agent and Security** (in case of debt securities)**:**

(i) Details of security and assets backing the instrument including nature of assets, book value of the assets as per the latest audited accounts; nature of charge established in favor of the investment agent, number and nature of charges on the said assets; names of the creditors having charge on these assets; and aggregate amount and type of such borrowing;
(ii) Name of the investment agent, amount or rate of fee payable to the investment agent;
(iii) Event of defaults as mentioned in the issuance agreement;
(iv) Circumstance under which security becomes enforceable;
(v) Mechanism for enforcement of security including authority by way of special resolution by the security holders; quorum of the meeting; authority for approval of resolution etc.]

19. Part VIII: Management of the Company

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide SRO 1383(I)/2020 December 23, 2020

(i) Composition of the board of directors of the company along with their names, executive or non-executive director, independent director or otherwise, addresses, CNIC number, brief profile, qualification, period of directorship and directorship in other companies.

(ii) For each director, details of current and past directorship(s) in listed companies whose shares have been/were suspended from being traded on the securities exchange during his/her tenure, as follows:

a. Name of the Company:
b. date of Listing
c. reasons for suspension and period of suspension.
b) If the suspension of trading revoked,
c) the date of revocation of suspension.
d) Term of the director in the above company/companies.

(iii) For each director, details of current and past directorship(s) in listed companies which have been/were delisted from the stock exchange(s), during his/her tenure, as follows:

a) Name of the Company
b) Date of Listing
c) Date of delisting
d) Compulsory or voluntary delisting:
e) Reasons for delisting:
f) Term of the director in the above company/companies.

(iv) Profile of the senior management including chief executive officer, chief financial officer, chief operating officer and company secretary.

(v) Appointment and election of directors and chief executive

(vi) Interest of the directors and promoters along with number and value of shares held by each of them, if any.

(vii) Interest of the director and promoter in property/assets and profit of the company.

(viii) Benefits (monetary or otherwise) provided to sponsors, substantial shareholders and directors during last three years.

(ix) Composition of the audit committee and its role and responsibilities.

(x) Powers of the directors including any borrowing power

(xvii) Indemnity available to the board of directors and other employees of the company.

Statement on compliance with the code of corporate governance

20. Part IX: Legal proceedings and overdue loans:

i. Legal proceedings:

a) Any outstanding legal proceeding other than the normal course of business involving the issuer, its sponsors, substantial shareholders, directors and associated companies, over which the Issuer has control, that could have material impact on the issuer.

b) Action taken by the securities exchange against the issuer or associated listed companies of the issuer during the last three years due to noncompliance of the its regulations.

ii. Overdue loans: Details of overdue amount, if any appearing in the Credit information Bureau (CIB) report of the Issuer, its sponsors, promoters, substantial shareholders, directors and associated group companies over which the issuer has control.

21. Part X: Underwriting arrangement, Commissions, Brokerage and other Expenses:

(i) Underwriting; name of the underwriters and amount underwritten by each of them.
(ii) Opinion of the directors regarding resources of the underwriters
(iii) Rate of the underwriting and take up commission.
(iv) Statement about non-execution of any buy-back, or repurchase agreement between the underwriters or their associates and the Issuer or its associates.
(v) Fees and expenses for Centralized E-PO system.
(vi) Rate of commission to the banker to an issue.
(vii) Rate of the brokerage commission.
(viii) Fees and expenses for Shariah advisory and Shariah audit in case of Shariah compliant debt security.
[1][(ix)] Breakup of the expenses of the issue including fee/amount payable to (a) consultant to the issue; [2][omitted] the ballotters and registrar to the issue; the underwriters; listing fee; CDC fee; SECP fee; printing and publication cost fee etc.

22. Part XI: Miscellaneous Information

(i) Address of the registered and corporate office of the company (complete address, telephone & fax numbers and e-mail address)
(ii) Name, address, telephone number and email address of bankers to the company
(iii) Name, address, telephone number and email address of the company's auditors
(iv) Name, address, telephone number and email address of the legal advisors to the company
(v) Name, address, telephone number and email address of legal advisor to the issue
(vi) Name, address, telephone number and email address of the ballotters and share registrar
(vii) Name, address, telephone number and email address of Consultant to the Issue

23. Part XII: Material Contracts:

i. Details of material contracts referred to in the prospectus like:
   a) underwriting agreements,
   b) due diligence reports by the underwriters and consultant to the issue,
   c) private placement agreements,
   d) project related agreements,
   e) long term and short-term financing agreements
   f) technical agreements,
   g) letter of credits and bank/corporate guarantees,
   h) related party agreements. etc.

(ii) Title and date of document/contract, parties to the contract, amount involved, if

[1] Clause renumbered vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the words "the book runners" vide S.R.O.1477(I)/2025 dated August 6, 2025

any, etc.

(iii) Inspection of Documents & Contracts by security exchange

Place and timing where documents relating to the Issuer and the issue can be inspected. The documents to be made available there must include copies of all those agreements, contracts, reports etc. referred to in the prospectus. The timing of inspection must be the usual business hours on working days at the registered office of the company from the date of publication of the prospectus until the closing of subscription list.

24 Part XIII-: Book Building Procedure/instructions for registration and bidding:

(i) In case of issue through book building, information needed to be disclosed i.e. number of shares allocated under the book building portion and retail portion, Floor Price and the Price Band,
(ii) Types of bids and procedure for making a bid.
(iii) Mechanism for determination of the strike price.
(iv) Time frame for intimation to the successful bidders. Mechanism for payment of the balance amount by the successful bidders
(v) [1][Name of the Eligible Participants for Book Building]
(vi) Name of the designated institution and its roles and responsibilities.
(vii) Role and responsibilities of the Issuer.
(viii) Opening and closing of the bidding period.
(ix) Eligibility to participate in bidding.
(x) Information about availability of the prospectus, the registration form, and the bidding form.
(xi) Procedure for registration.
(xii) Procedure for bidding.
(xiii) Title and number of the bank account for book building portion of the issue and Mechanism for payment of the margin money into the book building account.
(xiv) Procedure for payment of the margin money by the foreign investors.
(xv) Procedure for rejection of bids.
(xvi) Time frame for upward revision of bids by the bidder.
(xvii) Procedure for withdrawal of issue.
(xviii) Mechanism for determination of strike price.
(xix) Basis of allotment of share.
    (a) In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
    (b) In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the bids made at the Strike Price on proportionate basis
(i) Mechanism and mode for refunding/unblocking of the margin money.
(ii) Procedure and time frame for publication of the supplement to the prospectus.
(iii) Procedure for allotment of shares in case of 100% book building and allotment of unsubscribed retail portion to the bidders.

25. Part XIV: Application and Allotment instructions for retail portion:

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

i. Eligible Investors Instructions for submitting application.

ii. Opening and closing of subscription list. Procedure for public subscription through physical form.

iii. Procedure for public subscription through Centralized E-PO System and other additional electronic system

iv. Facilities available to local, Non-Resident Pakistanis and Foreign Investors.

v. Code of occupation of investors/applicants.

vi. Nationality Code.

vii. Minimum amount of application and basis for allotment of shares.

viii. Refund/Unblocking of subscription money to unsuccessful applicants.

ix. Minimum amount of application and basis of allotment.

x. Issue and credit of shares.

xi. Transfer of shares.

xii. List of Bankers to the Issue

xiii. List of E-IPO facilities

xiv. Interest of share holders

xv. Eligibility for dividend

xvi. Deduction of Zakat.

xvii. Taxations, like applicability of capital gain tax, withholding tax on dividends, tax on bonus shares, federal excise duty and capital value tax & withholding tax on sale/purchase of shares.

xviii. Tax on income of the Issuer, sales tax.

xix. Deferred taxation.

xx. Tax credit for enlistment, tax credit for investment in IPOs.

26. Part XV: Signatories to the Prospectus:

(i) List of the signatories to the prospectus and their signatures in original duly dated and witnessed

[1][Provided that electronic signatures shall also be acceptable.]

(ii) The Prospectus should be signed by every director and CEO of the Issuer and shall be duly witnessed.

Provided that in case of offer for sale of shares the prospectus should also be signed by every Offeror or the persons authorized in writing by the Offerors

[2][Provided that electronic signatures shall also be acceptable.]

27. Part XVI: **Memorandum of Association:**

Memorandum of Association of the Issuer

28. [3][omitted]

29. [4][omitted]

Section 2

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

REPORTS TO BE SET OUT IN THE PROSPECTUS

1. A report made by auditors (who shall be named in the prospectus) for each of the two financial year immediately preceding the issue of the prospectus with respect to the following:

   (a) Profits and losses and assets and liabilities, in accordance with the clause (2) or (3), as the case may require; and

   (b) the details of dividend (date, rate, class of shares) paid by company during last two financial years immediately preceding the issue of prospectus of the company. if no accounts have been made up in respect of any part of the period of two years ending on a date three months before the issue of the prospectus, containing a statement of that fact.

   [1][Provided that the requirement of immediate preceding financial years may not be applicable in case of public offering of debt securities by regulated entity (regulated by a regulatory body) whose latest audited accounts are not available due to delay in regulatory approval not in company's control.]

2. If the company has no subsidiaries, the report shall so far as regards profits and losses, assets and liabilities for each of the two financial years immediately preceding the issue of the prospectus;

   [2][Provided that the requirement of immediate preceding financial years may not be applicable in case of public offering of debt securities by regulated entity (regulated by a regulatory body) whose latest audited accounts are not available due to delay in regulatory approval not in company's control.]

3. If the company has subsidiaries, the report shall so far as regards profits and losses, assets and liabilities of the company as a whole with combined profits and losses of its subsidiaries, and individually with profit and losses of each subsidiary concern;

4. If any shares have been or are to be issued or the proceeds, or any part of the proceeds, of the issue of the securities are or is to be applied directly or indirectly for the purchase of any business and by reason of that purchase entitled to an interest, as respects either the capital or profits and losses or both, in such business exceeding fifty per cent thereof, a report made by auditors (who shall be named in the prospectus) upon profit and loses and assets and labilities of the business;

5. If the proceeds, or any part of the proceeds, of the issue of the shares or debt securities are or is to be applied directly or indirectly in any manner resulting in the acquisition by the company of shares in any other body corporate and by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate will become a subsidiary of the company, a report made by auditors (who shall be named in the prospectus) upon the profits or losses, the assets and labilities of the other body corporate for each of the two financial year immediately preceding the issue of the prospectus;

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

6. The said report shall indicate how the business acquired is in the best interest of shareholders of the issuer. Where the business being acquired has subsidiaries, how such subsidiaries are in the best interest of shareholders;

[1][7. In case of debt security following need to be incorporated, as applicable, -

(a) summary of the credit rating report by the credit rating agency;

(b) report by the company's auditors on security backing the issue;

(c) report by the Debt Securities Trustee that the security arranged and the mechanism for its enforcement, if needed, is appropriate for safeguarding interest of the security holders;

(d) report by the Investment agent that the security arranged and the mechanism for its enforcement, if needed, is appropriate for safeguarding interest of the security holders]

8. Statement on accuracy of the contents of the prospectus; and

9. The Chief Executive and Chief Financial Officer of the company shall certify that the prospectus constitutes a full, true and plain disclosure of all material facts relating to the securities offered by the prospectus.]

[1] Substituted for the text "7. In case of debt security, summary of the credit rating report by the credit rating agency, report by the company's auditors on security backing the issue and report by the debt security trustee that the security arranged and the mechanism for its enforcement, if needed, is appropriate for safeguarding interest of the security holders;" vide SRO 1383(I)/2020 December 23, 2020

[1][First Schedule-A

FORMAT OF THE PROSPECTUS AND DISCLOSURE REQUIREMENTS

- In case of Initial Public Offering of other class of shares by listed company.
- In case of Secondary Public Offering by listed company or REIT Scheme.
- In case of Public Offering of debt securities, other than short term debt securities, by listed company.

1. Cover Page:

i. The following statement should appear on the upper most top in bold capital letters:-

"ADVICE FOR INVESTORS"

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, ESPECIALLY THE RISK FACTORS GIVEN AT PARA --- BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE & FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015."

ii. The following additional statement should appear in case of offering of equity securities:-

"INVESTMENT IN EQUITY SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THE EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED AS DISCLOSED AT PARA/SECTION …… OF THE PROSPECTUS.**"**

iii. Full name of the Issuer (including previous name, if any) along with logo/monogram, if any, date and place of its incorporation, incorporation number, date of listing, name of Securities Exchange where issuer is listed,

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

address of its registered and corporate offices, telephone number, contact person, website address and email address.

iv. In case of **offer for sale**, full Name of the Offeror and the following statement: THIS IS NOT A PROSPECTUS BY [… NAME OF THE ISSUER …] (THE "COMPANY") BUT AN OFFER FOR SALE BY […. NAME OF THE OFFEROR …] (THE "OFFEROR") FOR OFFER FOR SALE OF SHARES HELD IN THE COMPANY."

v. Total issue size, method of offering, issue price, profit rate (in case of debt securities).

vi. In case of debt securities, credit rating of issue and issuer (where required), name of credit rating agency, structure adopted by the Issuer i.e. issuance agreement or trust structure etc., maturity, call option (if any), put option (if any).

vii. In case of book building, Floor Price, Price Band, dates for registration of the bidders; dates of bidding i.e. the bidding period along with timing; Allocation of securities to book building and retail portion.

viii. Date(s) of public subscription along with timing in bold letters.

ix. Name of the Consultant(s) to the issue, if any, Eligible participants, bankers to an issue; Underwriters (if required), Investment Agent (where applicable), Debt Securities Trustee (where applicable), Issuing and paying agent (where applicable).

x. Modes of submitting application and making payment

xi. Disclosure of regarding availability of E-IPO platforms.

xii. Contact details of at least two relevant persons of the Issuer, consultant to the issue (if any), Investment Agent/Debt Securities Trustee/Issuing and Paying agent (where applicable), and Underwriter, if any, well conversant with the issue who could be contacted by the investors, if needed.

xiii. Address/website address, QR Code from where the Prospectus, financial statements, and forms can be obtained/downloaded.

xiv. Date of publication of the Prospectus.

xv. Name of the Securities Exchange where the specified securities are proposed to be listed.

2. Inside Cover Page:

i. The following undertaking by the Issuer:

"WE …… THE CHIEFT EXECUTIVE OFFICER AND ….. CHIEF FINANCIAL OFFICER ….. CERTIFY THAT;

a. THE PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
b. THE INFORMATION CONTAINED IN THE PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF;
c. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
d. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING;
e. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED; AND
f. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS PROSPECTUS.

For and on behalf of (… Name of the Issuer… and in case of an offer for sale… name of the offeror…)

…. Sd-….	…. Sd-….
…….	…….
Name of the Chief Executive Officer	Name of the Chief Financial Officer"

3. **Glossary of Technical Terms:** All the technical terms and abbreviations used in Prospectus must be defined in the glossary.
4. **Definitions**
5. **Table of Content**
6. **Approvals, Consents and Listing on the Securities Exchange:**
   i. **Approval of the Securities Exchange and Commission:**

Detail of approvals obtained from the Securities Exchange and Commission with respect to the issue. The detail must contain nature of approval, date of approval and relevant law. The following disclaimer must also be disclosed:

"**DISCLAIMER:**

(a) The Securities Exchange and Commission has not evaluated the quality of the issue and its approval should not be construed as any commitment of the same. The public/investors should conduct their own independent investigation and analysis regarding the quality of the issue before subscribing.

(b) The publication of this document does not represent solicitation by the Securities Exchange and Commission.

(c) The contents of this document do not constitute an invitation to invest in shares or subscribe for any securities or other financial instrument by the Securities Exchange and Commission, nor should it or any part of it form the basis of, or be relied upon in any connection with any contract or commitment whatsoever of the Exchange and Commission.

(d) It is clarified that information in this Prospectus should not be construed as advice on any particular matter by the Securities Exchange and Commission and must not be treated as a substitute for specific advice.

(e) The Securities Exchange and Commission disclaims any liability whatsoever for any loss however arising from or in reliance upon this document to any one, arising from any reason, including, but not limited to, inaccuracies, incompleteness and/or mistakes, for decisions and/or actions taken, based on this document.

(f) Securities Exchange and Commission does not take any responsibility for the financial soundness of the Company and any of its schemes stated herein or for the correctness of any of the statements made or opinions expressed with regards to them by the Company in this Prospectus.

(g) Advice from a suitably qualified professional should always be sought by investors in relation to any particular investment."

(h) Statement on filing of the Prospectus and other documents like experts' reports and contracts mentioned in the Prospectus, with the registrar of companies.

7. Overview of the Issuer:

i. Background and history of the company including its name, registration number, date of incorporation, date of commencement of business, date of conversion into public limited company, date of listing and name of securities

exchange, organizational structure, description of the business including core and others, if any.

ii. Share Capital in tabular form along with necessary notes relating to the issued and allocated shares, if any.

iii. Pattern of shareholding of the issuer in both relative and absolute terms.

iv. Products and services

v. Customers and suppliers

vi. Capacity and Capacity utilization

8. Principal Purpose of the Issue and funding arrangements:

i. Principal purpose of the issue.

ii. Detailed breakup of Utilization of proceeds.

iii. Name of relevant parties and their role in implementation of Project

iv. Implementation schedule.

v. Utilization of excess funds, in case the strike price in determined above the floor price.

vi. Pre and post expansion production capacity of the Issuer, if applicable.

9. Valuation Section (only in case of equity securities)

i. Justifications given by the Consultant to the Issue, if any or the Issuer in support of the Offer/Floor Price and the price band. The justification must include appropriate valuation models, including the Discounted Cash Flow (DCF) Model, Dividend Discount Model (DDM), and/or Gordon Growth Model (GGM).

Provided that following disclaimer shall also be added:

The offer price/floor price and price band are set by the Issuer and Consultant to the Issue using appropriate valuation models, and that the Commission and the Securities Exchange have neither assessed nor validated the pricing or the underlying valuation model. The Commission and the Securities Exchange do not assess, validate or endorse the price of a transaction, as pricing is purely a function of market forces; whereby minimum price is determined by the Consultant to the Issue/Issuer and final price is set by the investors.

ii. Disclosure of Post Issue Free Float both in terms of the number of shares and percentage.

iii. Disclosure of Peer group comparison with respect to the following:

a) Earnings per share;

b) Book value per share;

c) Market value per share;

d) P/E multiple;

e) P/B multiple;

f) Return on Equity;

g) Return on Assets; and

h) Free Float as number of shares as well as in percentage.

10. Additional Information in case of debt securities (Islamic and conventional):

In case of issue of debt securities, the following additional information shall be disclosed,-

i. Issue size with breakup of pre-IPO placement, if any, preferential allocation, if any, allocation to general public.

ii. Salient features of the issue including its tenor, rate of return, denomination, market lot, secured/unsecured, credit rating details, security arrangement, restrictions and covenants, if any, Options like conversion option, put options, call option etc.

iii. In case of issue of Shariah compliant securities, structure of the instrument, Shariah Principle; Shariah Certificate.

iv. Structure adopted for issuance of debt securities:

Trust Structure
Trustee and Security (in case of debt securities, where trust structure is adopted)
a) Details of security and assets backing the instrument including nature of assets, book value of the assets as per the latest audited accounts; nature of charge established in favour of the Trustee, number and nature of charges on the said assets; names of the creditors having charge on these assets; and aggregate amount and type of such borrowing; b) Name of the Trustee, amount or rate of fee payable to the trustee; c) Event of defaults as mentioned in the Trust Deed; d) Circumstance under which security becomes enforceable; e) Mechanism for enforcement of security including authority by way of special resolution by the security holders; quorum of the meeting; authority for approval of resolution etc.
Issuance Agreement
Investment agent and Security (in case of debt securities where issuance agreement is used):

a) Details of security and assets backing the instrument including nature of assets, book value of the assets as per the latest audited accounts; nature of charge established in favour of the investment agent, number and nature of charges on the said assets; names of the creditors having charge on these assets; and aggregate amount and type of such borrowing;
b) Name of the investment agent, amount or rate of fee payable to the investment agent;
c) Event of defaults as mentioned in the issuance agreement;
d) Circumstance under which security becomes enforceable;
e) Mechanism for enforcement of security including authority by way of special resolution by the security holders; quorum of the meeting; authority for approval of resolution etc.

11. Risk Factors:

i. Risk factors shall be classified as internal and external factor.

ii. Risk factors shall be disclosed in descending order of materiality.

iii. All possible risk factors relating to business of the company, the project, technology, competition, suppliers, consumers, industry, liquidity, regulatory, changes in Government policies, law and order situation, capital market, pending litigations, defaults etc. shall be disclosed.

iv. Additional risk factors relating to the following areas shall be disclosed in the Prospectus, wherever applicable:

a) Approvals that are yet to be received by the issuer;
b) Seasonality of the business;
c) Risk associated with orders not having been placed for the plant and machinery in relation to the principal purpose of the issue;
d) Lack of experience of the Management to run the business;
e) If the issuer has incurred losses in the last three financial years;
f) Dependence of the issuer or any of its business segments upon a single customer or a few customers
g) Loans, if any, taken by the issuer and its subsidiaries that can be recalled at any time.
h) In case of outstanding debt instruments, any default in compliance with the material covenants;

i) Default in repayment of loan by the issuer and associated group companies, if any.

j) Potential conflict of interest of the Sponsors, substantial shareholders or director of the issuer if involved with one or more ventures which are in the same line of activity or business as that of the issuer.

k) Excessive dependence on any key managerial personnel for the project for which the issue is being made.

l) Any material investment in debt instruments by the issuer which are unsecured.

m) Pending legal Proceeding against the issuer and associated group companies, which could have material adverse comments.

n) Negative cashflow from operating activities in the last three preceding financial years.

o) Any restrictive covenant that could hamper the interest of the equity shareholders

p) Low credit rating of the Issuer

q) Financial Risks:

- Qualified opinion issued by the auditor.
- Contingent liabilities as per the latest audited financial statements.
- Legal/Tax proceedings having possible material impact on the company.
- Overstated EPS due to non-recurring items.
- Bad debt and high receivable turnover ratios as compared to the industry.
- Obsolete inventory or slow-moving inventory or high inventory turnover.
- Portfolio investment risk, if company is managing portfolio of financial assets.
- High debt to equity ratio or capital structure ratios.
- High cash conversion cycle.
- Presence of intangible assets on books of accounts, accounting for 30% or more of the total assets.

r) Project Related Risks:

- Financial close of the project not achieved.
- Suppliers of Plant and Machinery not yet identified.
- No agreement in place for purchase of land.
- Land for project not yet identified.
- Material Agreements not in place.

- Track record of the issuer, sponsors, directors and substantial shareholders with respect to project implementation.
- Order not been placed for Plant and Machinery.
- Regulatory approval that are yet to be obtained for project implementation.
- High dependence on internal cash flow or contribution from third party for project implementation.
- Expected cost overruns in implementation of the project due to uncertain economic conditions.
- No EPC or Turnkey contractor appointed for implementation of the project.
- Cost of project based on management estimates instead of third-party feasibility report.
- Investment in Green field Project.

s) Business Risk:

- Monopoly due to some regulatory protection.
- High dependence on few customer/suppliers.
- Limited raw material suppliers.
- No agreement in place with major customers/suppliers.
- Short term agreements with major customers/suppliers.
- Unique and complex structure adopted for business operations.
- High dependence on associated companies for running business operations or generating revenue.
- High dependence on one product for revenue generation.
- Dependence on growth of other sectors for revenue generation.
- Insurance contract(s) not in place for running business operations.
- Higher dependence on non-core items as compared to core items for profit generation.

t) Regulatory Risks:

- Imposition of duties/taxes making the product unviable.
- Withdrawal of regulatory duties making the product unviable.

u) Dependence on few customers/suppliers/products/technologies:

- Dependence of Company on one or two major products or services.

- Customer Concentration risk: 50% or more of company's revenue is coming from one or two major customers.
- Supplier concentration risk: 50% of more of company's purchases is coming from one or two major suppliers.
- Dependence of company heavily on technology and is subject to risk of obsolescence impacting profitability.
- Majority of customers have not continued to purchase company's product during last couple of years.

v) License/regulatory Approvals:

- Necessary approvals are not in place and are required for continuity or initiation of the business/project.

w) Regulatory duties:

- Business continuity/profitability is highly dependent on the regulatory protection provided by the Government in form of duties or anti-dumping duties.

x) Financial performance:

- Company is not profitable during the last two years – incorporation of loss- making disclosure as specified in these Regulations.
- Cash flow from operations is negative.
- Dividend Policy depicting inability of the company to pay dividend in coming years.
- Flexible credit sale policy and poor recovery mechanism – high receivable turnover (days) or high bad debts.
- Audited financial information of the entity formed as the result of merger or acquisition transaction is not available.
- Any financial covenant imposed by the financiers restricting distribution of dividend. Inability of the company to properly service its debt and financial commitments.

y) Non-recurring items/transactions:

- Exaggerated EPS or BVPS to non-recurring items.

z) Capital Structure**:**

- Low debt to equity ratio due to revaluation surplus.
- High Debt to equity ratio.

Aa) Manufacturing process/Capacity Utilization:

- Enhancement of production capacity of product that is currently underperforming.

Ab) Supply Chain:

- Majority of raw material in imported from other countries and is subject to supply chain risk.

Ac) Agreements:

- No agreement with major customers, suppliers and distribution partners or short-term agreement with major customers, suppliers and distribution partners.
- No agreement in place with suppliers of Plant and Machinery, which may cause delay in commissioning the project.
- No EPC/Turnkey contractor for implementation of the expansion project.

Ad) Litigation

- No provisioning relation to different litigation amounts.
- Pending legal proceedings having substantial financial impact.

Ae) Market conditions/Pandemic:

- Delay in commissioning of the Project due to pandemic or unforeseen circumstances.
- Increase in market interest rates and underlying inflation impacting return and instrument value.

Af) Transaction Structure:

- Unique transaction structure involving utilization of IPO proceeds for investment in associated green field project.
- Unique transaction structure that involves raising funds, in addition to the IPO from associated concerns or related parties through right or other than right issue for investment in project.

Ag) Experience:

- Tapping new markets and segments without any past experience/expertise or formal commitment.

Ah) Other Risks:

- Political uncertainty impacting policies.
- Forward looking statements in the Prospectus.
- Special Purpose Acquisition Transactions.
- Pandemic or global outbreak of disease.

- Possible law and order situation impacting revenue and profits.
- Transfer pricing element, in case products/items are bought or sold from/to associated persons undertakings.

v. A statement that to the best of our knowledge and belief all risk factors have been disclosed shall be given immediately after the risk factors.

12. Financial Information:

i. Website address, QR Code from where audited accounts of Company can be downloaded.

ii. Latest audited accounts along with notes to the accounts.

iii. Summary of financial highlights of the Issuer along with key financial ratios for the last 3 years or for a shorter period if 3 years of commencement of business are not completed.

iv. In case of equity offering, summary of financial projections for five years based on reasonable grounds and assumptions. Assumptions must at least cover revenue growth rate, operating profit margin, effective tax rate, and macroeconomic factors:

Provided that the auditor of Consultant to the Issue shall certify that the financial projections are based on reasonable assumptions and use cautionary language with the financial projections:

Provided further that financial projections shall at least cover:

a. Profit and loss statement.
b. Balance Sheet.
c. Cashflow statement including free cashflow to the firm and equity holders.

v. Dividend policy: Clearly highlighting

- Future plans.
- Expected non-building dividend payout ratio to be paid in future years, in case the company is profitable, has cash and does not intend to pursue any expansion opportunities.
- In case, the company does not intend to pay any dividends in near future, the same shall be clearly disclosed in the Prospectus.
- Restrictive covenants imposed on payment of dividend, if any.
- Dividends paid in past years.

13. Management of the Company:

i. Name of Board of Directors of the Company.

ii. Key Management

iii. Statement on compliance with the code of corporate governance.

14. Legal proceedings and overdue loans:

i. Legal proceedings:

a) Any outstanding legal proceeding other than the normal course of business involving the issuer, its sponsor, substantial shareholders, directors and associated companies, over which the Issuer has control, that could have material impact on the issuer.

b) Action taken by the Securities Exchange against the issuer during the last three years due to noncompliance of the its regulations.

ii. Overdue loans: Details of overdue amount, if any appearing in the Credit information Bureau (CIB) report of the Issuer, its sponsors, promoters, substantial shareholders, directors and associated group companies over which the issuer as control.

15. Expenses to the Issue:

16. Book Building Procedure/instructions for registration and bidding (where applicable):

17. Application and Allotment instructions for retail portion (where applicable):

18. Signatories to the Prospectus:

i. List of the signatories to the Prospectus and their signatures in original duly dated and witnessed:

Provided that electronic signature shall also be acceptable.

ii. The Prospectus should be signed by every director and CEO of the Issuer and shall be duly witnessed:

Provided that in case of offer for sale of shares the Prospectus should also be signed by every Offeror or the persons authorized in writing by the Offerors:

Provided that electronic signature shall also be acceptable.

First Schedule-B

Format of the Prospectus

In case of Public Offer of short-term debt securities, either through Shelf Registration or otherwise.

1. Cover Page:
   i. The following statement should appear on the upper most top in bold capital letters:-

      "ADVICE FOR INVESTORS

      INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CARFULLY READ THE CONTENTS OF THIS PROSPECTUS, ESPECIALLY THE RISK FACTORS GIVENT AT PARA --- BEFORE MAKING ANY INVESTMENT DECISION.

      SUBMISSION OF FALSE & FICITITOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITTED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015"

   ii. Full name of the Issuer (including previous name, if any) along with logo/monogram, if any, date and place of its incorporation, incorporation number, address of its registered and corporate offices, telephone number, contact person, website address, e-mail address, and in case of listed company the date of listing and name of Securities Exchange where the issuer is listed.

   iii. Total issue size, profit rate, tenor, profit payment frequency, type of instrument (Discounted, Fixed rate, Floating rate), type of shariah structure, credit rating, date of subscription, subscription period and other salient features.

   iv. Date(s) of public subscription along with timing in bold letters.

   v. Name of the market intermediaries involved along with the contact details.

   vi. Modes of submitting application and making payment.

   vii. QR code and address/website address from where the Prospectus, audited financial statement, other information, documents, reports and forms can be accessed.

   viii. Date of publication of the Prospectus.

   ix. Name of the Securities Exchange where the specified securities are proposed to be listed.

2. Inside Cover Page:
   i. The following undertaking by the Issuer:

"WE …. THE CHIEF EXECUTIVE OFFICER AND …. CHIEF FINANCIAL OFFICER …… CERTIFY THAT;

a. THE PROSPECTUS CONTAINS ALL INFORMATION WITH THE REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;

b. THE INFORMATION CONTAINED IN THE PROSPECTUS IS TRUE AND CORECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF;

c. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;

d. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING;

e. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED; AND

f. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS PROSPECTUS.

For and on behalf of (… Name of the Issuer …)

…. Sd-…… ….Sd-…...

Name of the Chief Executive Officer

Name of the Chief Financial Officer"

3. **Glossary of Technical Terms:** All the technical terms and abbreviations used in Prospectus must be defined in the glossary.
4. **Definitions**
5. **Table of Content**
6. **Approvals, Consents and Listing on the Securities Exchange**
7. **Overview of the Issuer**
   i. Background and history of the company including its name, registration number, date of incorporation, date of commencement of business, date of conversion into public limited company, date of listing and name of securities

exchange (if applicable), organizational structure, description of the business including core and others, if any

ii. Share capital in tabular form along with necessary notes relating to the issued and allocated shares, if any.

iii. Pattern of shareholding of the issuer in both relative and absolute terms.

iv. Products and services

v. Customers and Suppliers

vi. Capacity and capacity utilization

vii. Material properties

8. Principal Purpose of the Issue and funding arrangements:

i. Principal purpose of the issue.

ii. Detailed breakup of utilization of proceeds and implementation timelines, if any.

iii. In case of Shelf Prospectus, number of tranches that Issuer plans to issue under the arrangement, total amount to be raised and proposed utilization.

9. Additional Information specific to the Instrument and Issue:

i. Issue size with breakup of pre-IPO placement, if any, preferential allocation, if any, allocation to general public.

ii. Salient features of the issue including its tenor, profit rate, market lot, secured/unsecured, credit rating details, restrictions and covenants, if any; options like conversion option, put options, call option, structure of the instrument; Shariah principle, details of shariah structure, name, profile and involvement of the intermediaries relating to the shariah structure.

iii. Structure adopted for issuance of securities:

Trust Structure
Trustee and Security (where trust structure is adopted)
a) Details of security and assets backing the instrument including nature of assets, book value of the assets as per the latest audited accounts; nature of charge established in favour of the Trustee, number and nature of charges on the said assets; names of the creditors having charge on these assets; and aggregate amount and type of such borrowing; b) Name of the Trustee, amount or rate of fee payable to the trustee; c) Event of defaults as mentioned in the Trust Deed; d) Circumstance under which security becomes enforceable;

e) Mechanism for enforcement of security including authority by way of special resolution by the security holders; quorum of the meeting; authority for approval of resolution etc.
Issuance Agreement
Investment Agent and Security (where issuance agreement is used):
a) Details of security and assets backing the instrument including nature of assets, book value of the assets as per the latest audited accounts; nature of charge established in favor of the investment agent, number and nature of charges on the said assets; names of the creditors having charge on these assets; and aggregate amount and type of such borrowing; b) Name of the investment agent, amount or rate of fee payable to the investment agent; c) Event of defaults as mentioned in the issuance agreement; d) Circumstance under which security becomes enforceable; e) Mechanism for enforcement of security including authority by way of special resolution by the security holders; quorum of the meeting; authority for approval of resolution etc.

10. Risk Factors specific to the Issue, Issuers, Industry in which the Issuer operates and macro risk factors.

11. Management and Board of Directors.

i. Name of Board of Directors of the Company.

ii. Key Management.

iii. Statement on compliance with the code of corporate governance in case of listed issuer

12. Financial performance/snapshot of the company for the last three years or for a shorter period if three years of commencement of business are not completed. (Provide website address/QR Code from where latest audited financial statements can be accessed)

13. Legal proceedings and overdue loans:

i. Legal proceedings: Any outstanding legal proceeding other than the normal course of business involving the issuer, its sponsors, substantial shareholders, directors and associated companies, over which the Issuer has control, that could have material impact on the issuer.

ii. Overdue loans: Details of overdue amount, if any appearing in the Credit information Bureau (CIB) report of the Issuer, its sponsors, promoters,

substantial shareholders, directors and associated group companies over which the issuer has control.

14. Expenses to the Issue.
15. Application and Allotment instructions for investors.
16. Signatories to the Prospectus.

First Schedule-C

Instructions for Drafting of Prospectus

While drafting Prospectus, following instructions must be followed:

i. All disclosures must be made in plain language easily understandable to the general public.
ii. Prospectus must be worded in a "clear, concise and effective" manner.
iii. Prospectus must include all material information relating to the issue, the Issuer, and the industry.
iv. The source of information, where applicable must be properly disclosed.
v. Claims relating to performance of the Issuer can only be included, if they can be substantiated.
vi. Duplication must be avoided and information may be cross referenced where applicable.
vii. Financial information must be provided in one standard financial unit (in million/in billion).
viii. Scanned copy of undertakings on non-judicial stamp paper, where required must be incorporated in the Prospectus.
ix. Contradictory statements must be avoided.
x. Risk disclosures must be concise and specific to the issue, Issuer and matters that can impact future performance.
xi. Risk factors must explicitly pronounce possible impact, if any.
xii. Forward looking statements and financial projections must be based on valid rationale/assumptions.

Following additional disclosure shall be made on the front page of the Prospectus in case of forwards-looking statements/Financial projections.

Note regarding forward looking statements

"This Prospectus contains forward-looking statements. All statements other than statements of historical facts contained in this Prospectus, including statements regarding future results of operations and financial position, business strategy and plans and objectives of management for future operations, timelines relating to implementation plan are forward-looking statements.

These statements involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.**"**

First Schedule-D

Due Diligence Certificate by the Consultant to the Issue/Lead Manager

Being mandated as Consultant to the Issue/Lead Manager to Initial/Secondary Public Offering of (Name of Company) through the (Method of Offering), we hereby confirm that:

(1) Based on our due diligence, to the best of our knowledge and belief, the Issuer has represented compliance with the applicable conditions/requirements for public offering of securities and material information/disclosure(s) as required under the Securities Act, 2015, Companies Act, 2017, Public Offering Regulations, 2017, Listing Regulations of the Securities Exchange, and Real Estate Investment Trust Regulations, 2022 (where applicable) have been incorporated in the Prospectus.

(2) The contents of the Prospectus and the supporting document(s) are true and correct to the best of our knowledge, based on information and representations provided by the Issuer.

(3) We have identified and incorporated all relevant risk factors in the Prospectus that may impact the performance of the Company.

(4) We have reviewed the material contracts, as provided by the Issuer, in relation to the subject public offer and material contracts executed by the Company in normal course of business.

(5) We have visited the infrastructure facilities, manufacturing facilities, business premises of the Issuer, where required.

(6) We have analysed all related factors (such as relative valuation, past and future projected financial performance, valuation models, management quality, past track record, demand and supply of product portfolio, industry trends, macro conditions, regulatory/tax advantage etc.) affecting price of the issue and based on same justifiable price (Offer price/floor price) is suggested to the Issuer.

(7) All comments of the Securities Exchange, the Commission and the public are duly addressed and incorporated in the Prospectus, where required. A summary of unresolved comments and the rationale for their non-incorporation in the Prospectus is provided below:-

Signature of CEO/Authorized Signatory of CTI

First Schedule-E

Regulatory Approval Timelines

Steps Involved	**Role of different parties**	**Timeline in working days**
Submission of the Listing/Prospectus application	Consultant to the Issue (CTI)/Issuer to simultaneously submit Listing application and Prospectus application signed by the CEO to the Securities Exchange and the Commission through PRIDE.	0
Public Comments Period	On receipt of complete applications, Securities Exchange to place Prospectus on its website for seeking public comments and issue notification for information of stakeholders.	5 working days
Regulatory Review Period	From the date of placement of the Prospectus on website for public comments, parallel review of the Commission and Securities Exchange to evaluate the respective applications; and convey deficiencies/comments to CTI/Issuer for incorporation in the Prospectus and/or resolution.	
Response period	CTI/Issuer to address the public comments, deficiencies and observations of the Regulators and submit revised updated Prospectus along with **a due diligence certificate (First Schedule-D)** certifying that all issues have been addressed. If some issues are not addressed, the CTI shall highlight list of those issues in the due-diligence certificate along with rationale for not addressing the same.	5 working days
Securities Exchange approval	On receipt of due diligence certificate, Securities Exchange to convey its decision to the CTI, Issuer and the Commission.	2 working days
Commission approval	On receipt of Securities Exchange approval, Commission to convey its decision to the CTI, Issuer and the Securities Exchange.	2 working days
Total Approval Time (A)		**14 working days**

Note: The regulatory approval/processing timelines are subject to submission of complete application including quality of Prospectus and effective resolution of comments and deficiencies by the CTI/Issuer.

Regulatory Approval Timelines for supplement to the Prospectus involving shelf registration for debt securities including sukuk.

Steps Involved	**Role of different parties**	**Timeline in working day**
Submission of Supplement to the Prospectus	Consultant to the Issue (CTI)/Issuer to simultaneously submit the supplement to the Prospectus to the Securities Exchange and Commission through PRIDE.	0
Regulatory Review Period	From the date of submission of supplement to the Prospectus, the Commission and Securities Exchange to evaluate the supplement to the Prospectus and convey deficiencies/comments to CTI/Issuer for incorporation in the supplement to the Prospectus and/or resolution.	2 working days
Response Period	CTI/Issuer to address the deficiencies and observations of the Regulators and submit revised updated supplement to the Prospectus.	2 working days
Securities Exchange approval	On receipt of updated supplement to the Prospectus, Securities Exchange to convey its decision to the CTI, Issuer and the Commission.	1 working day
Commission approval	On receipt of Securities Exchange approval, Commission to convey its decision to the CTI, Issuer and the Securities Exchange.	2 working days
Total Approval Time (A)		**7 working days]**

SECOND SCHEDULE
MATTERS TO BE SPECIFIED IN THE ABRIDGED PROSPECTUS AND REPORTS TO BE SET OUT THEREIN

1. The matters to be specified in the abridged prospectus [1][omitted] must be the same as provided in the full prospectus but, subject to provisions of this Schedule, in condensed or briefed form. The abridged prospectus must not contain any such information, [2][omitted] that is not contained in or part of the full prospectus.

2. The word, abridged must appear as a prefix to the word prospectus throughout the document.

[3][3. Abridged Prospectus must contain following information:

i. Name of Company and Salient features of the Issue;

ii. In case of debt securities, Issue size, profit/coupon rate, credit rating, type of instrument, tenor

iii. Purpose of the Issue

iv. Name of intermediaries

v. Subscription details

vi. Website address from where full Prospectus and audited accounts can be accessed or download

vii. QR Code for accessing full Prospectus, audited accounts and other important documents.]

4. [4][omitted]

5. [5][omitted]

6. [6][omitted]

7. [7][omitted]

8. [8][omitted]

9. [9][omitted]

10. [10][omitted]

[1] Omitted the words "and the reports to be given therein" vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the words "material or report" vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[8] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[9] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[10] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

THIRD SCHEDULE
CONTENTS OF THE ADVERTISEMENT FOR PUBLIC OFFER OF SECURITIES

1. The matters to be specified in an advertisement to be published, telecasted or broadcasted, [1][through print or electronic or social media,] subsequent to publication of prospectus in full or in abridged form must contain only such material [2][omitted] information that is contained in or part of the prospectus.

[3][2. Advertisement to contain following information:

i. Name of Company and Salient features of the Issue

ii. Purpose of the Issue.

iii. Name of intermediaries.

iv. Subscription details.

v. Website address from where full Prospectus and audited accounts can be accessed or downloaded.

vi. QR Code for accessing full Prospectus, audited accounts and other important documents.]

[4][3. The advertisement can be telecasted or Broadcasted or published on all available media platforms.]

4. [5][omitted]

5. [6][omitted]

6. [7][omitted]

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the word "or" vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

FOURTH SCHEDULE
MATTERS TO BE SPECIFIED IN THE SUPPLEMENT TO THE PROSPECTUS AND REPORTS TO BE SET OUT THEREIN

(1) Supplement to the prospectus shall be published in all those newspapers in which the shelf prospectus has been published.

(2) The period between publication of supplement to the prospectus and the previous supplement to the prospectus or shelf prospectus should not be less than [1][30 days].

(3) The last supplement to the prospectus shall be published within a time period of not more than three years from the date of publication of the shelf prospectus.

(4) The supplement to the prospectus for each issue shall contain updated status of the information contained in the shelf prospectus. The supplement to the prospectus shall contain the following:

(i) Reference of the shelf prospectus including date of publication of the shelf prospectus and date of publication of the supplements published earlier, if any;

(ii) Advices for investors, relating to reading of risk factors; prohibition of making false and fictitious application; consolidated and multiple bids etc.;

(iii) name of the Issuer;; number of securities to be issued under this trance; the offer price; date of subscription; subscription period; name of advisors and consultant to the issue, name of the bankers to an issue; names of underwriters;

(iv) date of publication of the supplement to the prospectus;

(v) contact details of the relevant person for seeking further information by investors;

[2][(vi) website addresses and QR Code from where the shelf Prospectus, and the supplement to the Prospectus earlier published, if any, can be downloaded;]

(vii) name of the offeror, if any; type of security; size of the issue including pre-IPO placement, if any, and offer price; dates for public subscription; minimum amount of application and basis of allotment; refund of subscription money; transfer, issue [3][ ] and credit of securities;

(viii) [4][omitted]

(ix) [5][omitted]

(x) in case of book building, the bidding procedure including investors' eligibility for bidding; minimum bid value; date and time for registration of the prospective bidders; bidding period; date and time for revision and withdrawal of bids; rejection of bids; strike price determination; basis of allotment, refund/ unblocking of margin money;

1 Substituted for the words "six months" vide SRO 1619 (I)/2019 dated December 26, 2019
2 Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
3 Deleted the words ", dispatch" vide SRO 7(I)/2018 dated January 5, 2018
4 Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
5 Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

(xi) Pricing of the security being offered;

(xii) Minimum amount which must be raised;

(xiii) Dividend history of the company;

(xiv) [1][omitted]

(xv) Addresses from where copies of the prospectus can be obtained in physical form along with time and dates for collection;

(xvi) detail of approvals obtained including date of approval, name of the approving authority, relevant law and clause under which approval has been granted; disclaimer, if any, by the approving authority and name of the securities exchange where the security will be listed;

(xvii) All risk factors which in the opinion of the company may be assumed by investor whether specific to the issuer; and

(xvii) financial snapshots based on last [2][three years].

REPORTS TO BE SET OUT IN THE SUPPLEMENT

TO THE PROSPECTUS

In the supplement to the prospectus, the following reports and statements shall be set out:

(1) Auditors updated reports on income statement, balance sheet, paid up capital and breakup value per share in the form and manner as disclosed in full prospectus.

(2) [3][omitted]

(3) [4][omitted]

(4) [5][omitted]

(5) A statement by the board of directors or by the chief executive officer or the chief financial officer duly authorized by the board that the supplement contains a fair summary of the key information set out in the prospectus.

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
2 Substituted for the words “five years audited accounts” vide SRO 1619 (I)/2019 dated December 26, 2019
[3] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][Fourth Schedule-A

Format of supplement to the Prospectus in case of shelf registration involving debt securities including sukuk

(1) Supplement to the Prospectus shall be published in all those newspapers in which the shelf Prospectus has been published.

(2) Supplement to the Prospectus shall be placed on the website of Issuer and the Securities Exchange.

(3) The period between publication of supplement to the Prospectus and the previous supplement to the Prospectus or shelf Prospectus should not be less than 30 days.

(4) The last supplement to the Prospectus shall be published within a time period of not more than three years from the date of publication of the shelf Prospectus.

Minimum contents to be specified in supplement to the Prospectus:

i. Reference of the shelf Prospectus including date of publication of the shelf Prospectus and date of publication of the supplements published earlier, if any;

ii. Name of the Issuer; business model, number of securities to be issued under this tranche; funds to be raised, utilization of the proceeds, profit rate; tenor; profit payment frequency, type of instrument (Discounted, Fixed rate, Floating rate), type of shariah structure, credit rating, amount raised through earlier tranches; date of subscription; subscription period; name of intermediaries and other salient features.

iii. Application and allotment instructions for investors.

iv. QR Code and website addresses from where the shelf Prospectus, the supplement to the Prospectus earlier published, if any, audited accounts, other information, documents, reports and forms can be accessed.

v. Financial performance/snapshot of the company for the last three years or for a shorter period if three years of commencement of business are not completed.

vi. Risk Factors, if any due to change in business model, utilization of the proceeds and/or financial performance of the Company since the publication of shelf Prospectus or last supplement to the Prospectus.]

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][FIFTH SCHEDULE
PROCESSING FEE

(i) In case of public offering of equity securities of a company: Rs.200,000/ -

(ii) In case of issuance of debt security: Rs.100,000/-

[*fee revised as per the directive of Policy Board vide SRO 716(I)/2019, dated 2nd July, 2019]]

1 Substituted for the entire "**FIFTH SCHEDULE**
PROCESSING FEE
(i) In case of public offering of equity securities of an unlisted company: Rs.500,000/- plus 0.025% of the post listed paid-up capital
(ii) In case of public offering of equity securities of a listed company: Rs.500,000/-
(iii) In case of issuance of debt security: Rs.100,000/-" vide SRO 1286(I)/2019 dated October 28, 2019

SIXTH SCHEDULE

CHECKLIST OF DOCUMENTS IN CASE OF ISSUE/LISTING OF SECURITIES (GDRs/GDSs/Bonds) OUTSIDE PAKISTAN UNDER SECTION [1][95 OF THE SECURITIES ACT, 2015]

S.#	Name of Document
1	Application by the applicant under section 95 of the Act.
2	Copy of the draft Offering Circular for issue of securities outside Pakistan by the Company
3	Copy of Memorandum and Articles of Association containing Certificates of Incorporation and Commencement of Business, duly certified from the concerned Company Registration office (CRO)
4	Copy of approval as required under [2][clause (b) of sub-section (1) of section 83 of the Companies Act, 2017] for issuance of shares by way of other than right offer, *(where applicable).*
5	Copy of special resolution, on Form 26 duly certified from Company Registration Office(CRO) concerned, passed in the AGM/EOGM of the members of the Company regarding issuance of securities outside Pakistan;
6	Copy of the notice of general meeting in which approval of the members obtained.
7	Confirmation that copy of the above mentioned special resolution has been submitted to the securities exchanges
8	Detailed justification for the issuance of the securities (GDRs GDSs/Bond) outside Pakistan
9	Complete break-up of the utilization of the proceeds of the GDRs GDSs/Bond issue.
10	Complete detail of the projects, if any, alongwith its feasibility, which will be financed through the proceeds of the GDRs/GDSs/Bond issue;
11	Copy of the resolution passed in the Board of Director's meeting of the Company authorizing issuance of GDRs/GDSs/Bond outside Pakistan;
12	Five years financial projections of the Company duly reviewed by its auditors or any other audit firm;
13	Copy of approval of SBP and that of any other approval/NOC obtained from any regulatory authority/agency/department with respect to the proposed issue of GDRs/GDSs/Bond;
14	Detail of international regulatory requirements relating to the proposed issue of GDRs/GDSs/Bond and compliance status with these requirements by the Company;
15	Copy of audited annual accounts of the Company for the last five years alongwith latest quarterly and half yearly accounts;
16	Copy of CIB reports of the Company, its directors, associated and subsidiary companies;
17	Copy of Credit Rating Report (for both entity and the instrument) in case of debt securities.

1 Substituted for the words "62-A OF THE COMPANIES ORDINANCE, 1984" vide SRO 838(I)/2017 dated August 23, 2017
2 Substituted for the words "proviso to sub-section (1) of Section 86 of the Companies Ordinance, 1984" vide SRO 838(I)/2017 dated August 23, 2017

18	Complete group structure along with shareholding position of the group in each group company;
19	Complete latest pattern of shareholding of the Company in hard and soft form (both before and after issue of GDRs/GDSs/Bonds);
20	Affidavit on Non-judicial stamp paper from Chief Executive on accuracy of the disclosure made in the Offering Circular, Term Sheet and all documents submitted in connection with the proposed issue of GDRs/GDSs/Bond to the Commission, duly certified by the Oath Commissioner;
21	Copy of the term sheet containing of shares and Amount); (ii) number of shares that represents each GDRs/GDSs or number of shares to be issued in case of conversion of Bonds ; (iii) name of Depository; (iv) name of custodian; (v) name of lead manager,[1] [omitted] underwriter, co-lead manager, local financial advisor etc.; (vi) timeline for issuance of GDRs/GDSs/Bond; (vii) Legal provisions under which GDRs/GDSs/Bond will be issued and governed; (viii) name of the Stock Exchange on which GDRs/GDSs/Bond will be listed (ix) rights and entitlement of GDRs/GDSs/Bond holder; (x) mechanism of conversion of GDRs/GDSs/Bond into ordinary shares; (xi) Breakup of the expenses related to the proposed issue of GDRs/GDSs/Bond; (xii) the amount and percentage of Commission payable to the underwriters etc.(xiii) complete redemption schedule in case of issue of debt securities.
22	Consent to act as Global-coordinator, Lead manager, financial advisor [2][omitted];
23	Name of countries where the proposed GDRs/GDSs/Bond will be offered
24	Receipted challan of the application filing and processing fee
25	Power of Attorney, on Non-Judicial Stamp Paper, in favor of local consultants to the issue, certified by the Notary Public.

Note: Copies of all the documents should be truly certified by the Company Secretary.

[3]["CHECKLIST OF DOCUMENTS IN CASE OF ISSUE/LISTING OF SHARES OUTSIDE PAKISTAN UNDER SECTION 95 OF THE SECURITIES ACT, 2015"

S.#	**Name of Document**
1.	Application by the applicant under section 95 of the Act.
2.	Copy of the draft Offering Document prepared for issuance/Listing of shares outside Pakistan by the Company.
3.	Copy of Board Resolution for issuance/listing of shares outside Pakistan.
4.	Letter confirming mode opted (other than right or by renouncing right) by the company for issuing new share capital.

[1] Omitted the text "book runner, " vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Omitted the text "and/or Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

5.	Copy of Memorandum and Articles of Association containing Certificates of Incorporation and Commencement of Business, duly certified from the concerned Company Registration office (CRO).
6.	Detailed justification for the issuance/listing of the shares outside Pakistan.
7.	Copy of approval of SBP and any other approval/NOC obtained from any regulatory authority/agency/department with respect to the proposed issue of shares.
8.	Detail of international regulatory requirements relating to the proposed issue of shares and compliance status with these requirements by the Company.
9.	Copy of audited annual accounts of the Company for the last two years.
10.	Name and Consent letter from the Global Coordinator, Consultant, Lead manager, financial advisor appointed for issuance/Listing of shares.
11.	Name of Country/Securities Exchange where the proposed shares will be offered/listed.
12.	Challan evidencing payment of processing fee.
13.	Any other information as required by the Commission.

Note: Copies of all documents should be truly certified by the Company.]

Seventh Schedule

[1][omitted]

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][EIGHTH SCHEDULE

LIST OF DOCUMENTS TO BE SUBMITTED ALONGWITH APPLICATION FOR APPROVAL TO ISSUE, CIRCULATE AND PUBLISH PROSPECTUS

S. No.	**Documents to be submitted along with application for approval of Prospectus[2][,** where applicable]
1.	Application under section 88(1) read with section 87(2) of the Securities Act, 2015 for approval to issue, circulate and publish prospectus.
[3][1a.	Copy of the board resolution relating to Public Offering and listing of securities]
[4][1b.	Due-Diligence certificate by the Consultant to the Issue or the Issuer (where applicable) as per **First Schedule-D]**
[5][1c.	Letter by the Issuer confirming mode opted (other than right or by renouncing right) by the company for issuing new share capital through Public Offering transaction.]
2.	[6][omitted]
[7][3.	Copy of the Prospectus in soft form.]
[8][4.	Copy of the abridged Prospectus, if any, in soft form.]
[9][5.	Copy of the advertisement, if any, in soft form.]
[10][6.	Last page of the full Prospectus duly signed in original by every person who is named therein as director of the issuing company. Signatures of the directors must be witnessed by the company secretary. In case of offer for sale of shares, last page of the full Prospectus signed in original by every Offeror or the persons authorized in writing by the Offerors: Provided that electronic signatures shall also be acceptable.]
[11][7.	Copy of the audited accounts of the company, partnership or a limited liability partnership or a carved-out business division of a company, in soft form, for the last two years or, in the case of a Greenfield Project/Company or SPAC, for such shorter period the company is in existence: Provided that in case of public offering of debt securities by regulated entity (regulated by a regulatory body) whose latest audited accounts are not available due to delay in regulatory approval not in company's control. In this case the regulated entity may submit available audited accounts instead of last two-year audited accounts.]
8.	Copy of the Memorandum of Association and Articles of Association of the company.
9.	Affidavit on non-judicial stamp paper from the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) on making full, true, fair and plain disclosure of all material facts in the prospectus duly certified by an Oath Commissioner.
10.	Undertaking, on non-judicial stamp paper, from CEO or the Company Secretary (CS) or CFO, that they have fully disclosed in the prospectus all the legal

1 Inserted vide SRO 1619 (I)/2019 dated December 26, 2019
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[6] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025
[7] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[8] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[9] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[10] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
11 Substituted vide S.R.O.903(I)/2026 dated May 25, 2026.

	proceedings pending in any court in which the company or any of its associated companies over which it has control, is a party and which may have an adverse material impact on the business of the company, duly certified by the Oath Commissioner.
11.	Copy of the consent letters from the Consultant to the Issue, [1][omitted] where required, the Underwriters, if any, the Share Registrar and Ballotter, [2][auditor, legal advisor, if any,] and the Bankers to the Issue.
12.	Power of Attorney, on non-judicial stamp paper in favor of the Consultant to the Issue, to file the application and other documents and information on behalf of the company.
13.	Undertaking on non-judicial stamp paper from the Underwriters regarding no buy-back/re-purchase agreement, duly certified by the Oath Commissioner.
14.	Undertaking on non-judicial stamp paper regarding no buy-back/re-purchase agreement, by the sponsors, duly certified by the Oath Commissioner.
15.	In case of supplement to the prospectus, an undertaking, on non-judicial stamp paper, from CEO of the company to the effect that basic structure/features of the issue is/are in line the prospectus approved by the Commission. In case there is any change/deviation, it should be clearly stated in the said undertaking.
[3][15a.	Copy of underwriting agreements.]
16.	Additional documents in case of debt securities: (i) copy of the credit rating report where required, by a credit rating company licensed by the Commission. (ii) copy of the agreement regarding appointment of the market maker, if any. [4][(iii) copy of the trust deed or Issuance agreement as applicable and related documents including letter of hypothecation, certificate of registration of mortgage/charge, detail of the charged assets, particular of mortgage/charges etc.] (iv) copy of only one investor agreement in full, if the terms and conditions of all the agreements are same, along with key pages of others. (v) copy of the shariah [5][compliance certificate] in case of Sukuk.
17.	Original paid challan evidencing payment of application processing fee as under: (i) in case of public offering of equity securities: Rs. 200,000/-. (ii) in case of issuance of debt securities: Rs.100,000/-.
18.	Any other document/information as may be required by the Commission for its own record or for inclusion in the prospectus.
	Documents required after Approval of the Prospectus:
[19.	omitted]
20.	Copies of all those newspapers in which the prospectus and the advertisement(s), if any, are published, within two days of their publication.
21.	Copy of the supplement to the prospectus, in case of book building
22.	In case of debt securities, statement regarding the payment of profit and redemption of the principal amount, regularly on semiannual basis.
23.	A final report regarding public offering within 15 working days of the close of the subscription period. The report must contain the following information: salient features of the issue, date of publication of prospectus, book building period, number of securities offered under the book building portion, floor price, total number of bidders, number of bids declared successful/unsuccessful/rejected, number of securities bids for, strike price,

[1] Omitted the words "the Book Runner" vide S.R.O.1477(I)/2025 dated August 6, 2025
[2] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[3] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025
[4] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025
[5] Substituted for the words "pronouncement" vide S.R.O.1477(I)/2025 dated August 6, 2025

	allotment of securities to various categories of investors, number of securities offered under the retail portion, offer price, total number of applicants and amount thereof, applications received through e-ipo facilities, number of physical applications, number of successful applicants and unsuccessful applicants, amount refunded, date of credit of securities, credit of shares held by sponsors into their respective CDS Accounts in blocked form, date of formal listing etc.

[1][Note:

i. The documents submitted in the form of photo copy must be certified by an authorized representative of the Company.

ii. Application, Affidavits, undertakings, Power of attorney on stamp papers and Last Page of the Prospectus must also be submitted in hard form.]]

[1] Substituted vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][NINTH SCHEDULE

FIT AND PROPER CRITERIA

[see regulation 12(a)]

Fit and proper criteria for Promoters / Sponsors, directors and **chief executive officer of Special Purpose Acquisition Companies (SPACs).**

(A) Application and Scope:

The Fit and Proper Criteria in relation to Special Purpose Acquisition Companies (SPACs) shall be applicable to the following persons:

(i) Promoters or sponsors;
(ii) Directors; and
(iii) Chief executive officer

(B) Integrity and Track Record:

A person shall not be considered Fit and Proper if he:

(i) has been convicted of an offence involving moral turpitude, fraud or breach of trust;
(ii) has been involved in the mismanagement of investments, financial or business misconduct, fraud etc.;
(iii) has been suspended or barred from capital market activities;
(iv) has been subject to material adverse findings, after conducting an inquiry, by the Commission or any other regulatory or professional body or government agency;
(v) has been actively involved in the management of a company or firm whose registration or license has been revoked or cancelled or which has gone into liquidation or other similar proceedings due to mismanagement of affairs, financial misconduct or malpractices;
(vi) is ineligible, under the Act, Companies Act or any other legislation or regulation, from acting as a director or serving in a managerial capacity of a company;
(vii) found involved in money laundering or terrorist financing, illegal deposit taking/ banking business/ financial dealings;
(viii) has been adjudged as insolvent or has suspended payment or has compounded with his creditors;
(ix) The fitness and propriety of any person shall be assessed by taking into account all the relevant factors including but not limited to the following:
    a. Integrity and track record of such person;
    b. Competence and capability of the person; and
    c. Conflict of interest of such person;

Undertaking from all the sponsors, directors and key management with regard to the above shall be enclosed along with application for registration as SPAC.

[1] Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

(C) Competence and Capability:

The sponsors shall be required to submit an undertaking w.r.t competence and capability. In determining a person's competence and capability the following shall be considered:

(i) A SPAC must demonstrate that promoters/sponsors/directors have the experience, qualification and competence to–

a) achieve the SPAC's business objective and strategy as disclosed in the prospectus issued in relation to the initial public offering; and
b) perform their individual roles, including an understanding of the nature of their obligations and those of the SPAC under the regulatory requirements relevant to their roles.

(ii) The SPAC promoters/sponsors/directors, as a whole, must possess the appropriate experience and track record which demonstrate that it will be capable of identifying and evaluating acquisition targets, completing the qualifying acquisition and managing the company sustainably based on the business strategy outlined in the prospectus. The SPAC must demonstrate that the promoters/sponsors/directors/chief executive officer have the requisite collective experience and track record, which include having–

a) sufficient and relevant technical and commercial experience and expertise;
b) positive track record in corporations within the same industry and business activity evidenced by promoters/sponsors/directors/chief executive officer's contribution to the growth and performance of such corporations, including ability to deal with the relevant risks relating to the business operations;
c) ability to locate and develop appropriate acquisition opportunities for corporations; and
d) positive corporate governance and regulatory compliance history.

(iii) the chief executive and director must be fully conversant with their duties as prescribed under the statutes, rules and regulations; and

(iv) in case of promoters or sponsors or directors, should have special knowledge of matters which the company may have to deal with as a SPAC.

(D) General:

(i) The Fit and Proper Criteria is perpetual in nature and SPAC shall ensure compliance with the provisions of Fit and Proper Criteria;

(ii) In case of any change in status result in non-compliance with the Fit and Proper Criteria, the SPAC shall immediately stop the person from performing his assigned functions, informs the Commission and initiate the process for replacement of the individual with a fit and proper individual;

(iii) All persons subject to Fit and Proper Criteria shall report any change with reference to their fitness and propriety to the SPAC within three business days of such change taking effect and SPAC shall within three business days from the date of receipt, report the same to the Commission;

(iv) Any violations or circumvention of the Fit and Proper Criteria shall be dealt with under the provisions of the Act; and

(v) All persons subject to fit and proper criteria shall submit an affidavit to the Commission affirming under the oath that the person meets the fit and proper criteria and it has no overdue payment of any financial institution.]

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[1][SCHEDULE TEN

Minimum Contents of the Custodian Agreement

Custodian Agreement at minimum should include -

(i) provisions relating to the powers of the custodian including any indemnity given by the SPAC to the custodian;

(ii) general covenants by the SPAC to–

  (a) comply with the provisions of the custodian agreement; and

  (b) provide the custodian any information which the custodian may require in order to discharge its duties and obligations as custodian under the custodian agreement;

(iii) reporting covenants by the SPAC to immediately notify the custodian of any–

  (a) circumstance that has occurred that would materially prejudice the SPAC;

  (b) change in the utilization of proceeds; and

  (c) other matter that may materially prejudice the interests of the holders of voting securities;

(iv) Where the custodian is allowed to invest the monies kept in the escrow account, the conditions under which it is permitted to do so and the types of permitted investment;

(v) provision on release of funds from escrow account, clearly specifying that funds can only be released in relation to-

  (a) Making permitted investments of the monies in escrow account as specified under Regulation 12(h)(4);

  (b) For the purpose of merger or acquisition transaction in accordance with Regulation 12(h)(1) and 12(i) of these regulations;

  (c) the release of funds to the holders of voting securities, in accordance with 12(g)(3) of these regulations, who had voted against the qualifying merger or acquisition and the remaining funds to the SPAC upon completion of the qualifying acquisition within the permitted time frame; and

  (d) the release of funds to the holders of voting securities upon failure to complete the merger or acquisition transaction as referred to in regulation 12(o) of these regulations;

  (e) meeting expenses related to the initial public offering/private placements and operating costs, fund the search for a target business and complete the qualifying acquisition in accordance with these regulations.

(vi) the conditions for the resignation and termination of the custodian.

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[1] Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

Eleven Schedule

[1][omitted]

[1] Omitted vide S.R.O.1477(I)/2025 dated August 6, 2025

[1][Twelve Schedule

[Format of Information Circular to SPAC holders seeking vote for approval of merger/acquisition transaction]

[see Regulation 12(g)]

To solicit a shareholder vote on the merger/acquisition, the SPAC will prepare an information circular which may include the following information:

1) Information about the target company;

(i) Primary business of the target company and the industry in which it operates; Background and history of the target company including its name, registration number, date of incorporation, date of commencement of business, date of conversion into public limited company, description of the business including core and others, if any.

(ii) Group Structure of the target company showing shareholding in relative and absolute term.

(iii) Pattern of shareholding of the target company.

(iv) Names of the Sponsors;

(v) Organizational structure of the target company; group information, if any;

(vi) Major events in the history of the target company such as:

a) Significant financial or strategic partnerships.
b) Time/cost overrun in setting up projects.
c) Capacity enhancement, location of plants.
d) launch of key products or services.
e) entry in new geographies or exit from existing markets.
f) Key awards, accreditations or recognition .
g) Defaults or rescheduling/ waiver / restructuring of borrowings with financial institutions/ banks.

(vii) Nature and location of the target company's projects, if any; current implementation and operational status of the projects; nature and type of plant and machinery; total capacity and capacity utilization; financial plan with detailed breakup, in case the proceeds of the issue are to be used for financing a project.

(viii) Infrastructure facilities like roads, buildings, housing colonies; utilities like water, electricity; raw materials.

(ix) Product or services of the target company: Revenue and cost driver of the target company in detail;

(x) Intellectual property rights;

(xi) Details of material property

(xii) Future prospects, demand outlook.

(xiii) Vendors to the target company.

(xiv) Approvals: All government and other approvals which are material and necessary for carrying on the business of the target company.

(xv) Details regarding Associated companies of the target company.

[1] Inserted vide SRO 1214 (I)/2021 dated September 15, 2021

(xvi) Related parties' transactions, if any and their significance on the financial performance of the target company.

2) The draft scheme for the proposed merger/acquisition transaction
3) **Financial Information;**
   (i) Financial statements of the SPAC and the Target Company;
   (ii) Pro forma financial information to reflect the merger transaction;
   (iii) Qualified opinion, if any given by the auditor of the target company during the last three financial years;
   (iv) Following details as per the financial statements of the target company for the last 3 years or for a shorter period if 3 years of commencement of business are not completed in tabular format:
      a) Share capital;
      b) Net Worth;
      c) Revenue;
      d) Gross margin
      e) Operating margin
      f) Profit after tax;
      g) Profit after tax margin;
      h) Earnings per share;
      i) Breakup value per share;
      j) Total borrowings as per the balance sheet;
      k) Total debt to equity ratio;
      l) Cash flow from operations

4) Description of post-transaction company and its management, directors, governance structure, and material contracts;
5) Management's discussion and analysis (MD&A) of the SPAC and the target company
6) All material Risk factors related to the target company;
7) The timeframe for payment to holders of securities electing to exchange their securities. The SPAC must also demonstrate that this timeframe is reasonable, including providing details of all milestones or steps to be taken.
8) **LEGAL PROCEEDINGS AND OVERDUE LOANS OF THE TARGET COMPANY;**

Summary table of outstanding legal proceedings other than the normal course of business against the target company its sponsors, substantial shareholders, directors or its associated group companies, over which the target company has control, that could have material impact on the target company.

OVERDUE LOANS OF THE TARGET COMPANY

9) MATERIAL CONTRACTS / DOCUMENTS RELATED TO THE ISSUE (list of all agreements related to the proposed merger or acquisition)
10) MEMORANDUM OF ASSOCIATION OF THE TARGET COMAPNY
11) BOARD AND MANAGEMENT OF THE TARGET COMPANY

S.NO.	Name of Sponsors/Promoters	Area of Expertise alongwith years of experience	Professional Qualification	Major Achievements

12) PRE AND POST ISSUE SHAREHOLDING OF THE SPONSORS OF SPAC

S.No.	Name of Sponsor	Shareholding *(Nos. of shares-Pre-Issue)*	%	Shareholding *(Nos. of shares-Post-Issue)*	%

13) OUTSTANDING LEGAL PROCEEDING

14) REFUND TO INVESTORS: A SPAC can make refund to the entitled shareholders from the Escrow account as follows:

(i) where the company is unable to complete the merger or acquisition transaction within the stipulated time period of thirty six (36) months;

(ii) to those entitled shareholders, who do not approve the merger or acquisition transaction.

15) RIGHTS OF HOLDERS OF VOTING SECURITIES WHO VOTE AGAINST A QUALIFYING ACQUISITION

16) TIME FRAME FOR COMPLETION OF ACQUISITION/MERGER

17) Any other information that an investor must know before approving the transaction

18) MISCELLANEOUS INFORMATION

REGISTERED OFFICE / CENTRAL OFFICE OF THE TARGET Registered Office Address: ------- Phone: ------- Fax: -------Email: ------- Website: -------	**AUDITOR OF THE TARGET** M/s. -------, Chartered Accountants Address: -------. Contact No.: ------- Email: -------
REGISTRAR AND TRANSFER AGENT -------Limited Office: ---------- UAN: ------- FAX: ------- **Email & Website::** -------	**BANKERS**

all the necessary information with regard to the issue and constitutes full, true and plain disclosures of all material facts relating to the shares being offered through this prospectus and that nothing has been concealed

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Annexure-A

Information and documents to be submitted along with the prospectus]

1. Undertakings by the directors/ investment agent / custodian on non-judicial stamp papers attested by Oath Commissioner regarding compliance with the requirements of Regulations;

2. Affidavits/undertakings from the promoters, directors of the SPAC that they meet the fit & proper criteria as required under regulation 12(b) of the Regulations, duly attested by Oath Commissioner;
3. Profiles of the directors and sponsors/ of the SPAC containing the details regarding their professional experience;
4. Forms 28 and 29 duly certified from the concerned Company Registration Office (CRO);
5. Copies of all other approvals required under any law and/or contract;
6. Undertaking, on Non-Judicial Stamp Paper, from the Chief Executive or any Director/Sponsor of the SPAC authorized by the Board of Directors to the effect that the SPAC shall comply with the requirements of the Regulations;
7. Undertaking, on Non-Judicial Stamp Paper, from the Sponsor/Promoters of SPAC to the effect that they shall not utilize the amount of fund raised from the public for any other purpose except for merger or acquisition transaction and related expenses as permitted under these regulations.
8. Power of attorney by the SPAC in favor of consultants/advisors, if any;
9. Certificate of Incorporation, Memorandum and Articles of Association/constitutive document of SPAC;
10. Copy of the Information Memorandum, if any;]

[1][**THIRTEENTH SCHEDULE**

LIST OF DOCUMENTS TO BE SUBMITTED ALONGWITH APPLICATION FOR APPROVAL OF THE PROSPECTUS-PUBLIC OFFER FOR LISTING AT GEM

S. No.	Documents to be submitted along with application for approval of the Prospectus-Public Offer for Listing at GEM
1	Application under section 88(1) read with section 87(2) of the Securities Act, 2015 for approval to issue, circulate and publish Prospectus.
2	Copy of the board resolution relating to approval of the Public Offering of shares for Listing at GEM.
3	Letter by the Issuer confirming mode opted (other than right or by renouncing right) by the company for issuing new share capital through Public Offering transaction.
4	Due-Diligence certificate by the Consultant to the Issue as per First Schedule -D.
5	Copy of the Prospectus, abridged Prospectus (if any), and advertisement (if any) in soft form.
6	Last page of the Prospectus duly signed in original by every person who is named therein as director of the issuing company. Signatures of the directors must be witnessed by the company secretary. In case of offer for sale of shares, last page of the Prospectus signed in original by every Offeror or the persons authorized in writing by the Offerors. Provided that electronic signatures shall also be acceptable.
7	Copy of the audited accounts of the company in soft form, for the last two years or for a shorter period in case the company is in existence for a shorter period.
8	Affidavit on non-judicial stamp paper from the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) on making full, true, fair and plain disclosure of all material facts in the Prospectus duly certified by an Oath Commissioner.
9	Undertaking, on non-judicial stamp paper, from CEO or the Company Secretary (CS) or CFO, that they have fully disclosed in the Prospectus all the legal proceedings pending in any court in which the company or any of its associated companies over which it has control, is a party and which may have an adverse material impact on the business of the company, duly certified by the Oath Commissioner.
10	Copy of the consent letters from the Consultant to the Issue, auditor, legal advisor, the Underwriters, if any, the Share Registrar and Ballotter, and the Bankers to the Issue.

[1] Inserted vide S.R.O.1477(I)/2025 dated August 6, 2025

11	Power of Attorney, on non-judicial stamp paper in favor of the Consultant to the Issue, to file the application and other documents and information on behalf of the company.
12	Undertaking on non-judicial stamp paper from the Underwriters regarding no buy-back/re-purchase agreement, duly certified by the Oath Commissioner.
13	Undertaking on non-judicial stamp paper regarding no buy-back/re-purchase agreement, by the sponsors, duly certified by the Oath Commissioner.
14	Copy of underwriting agreements, if any
15	Original paid challan of Rs. 100,000 evidencing payment of application processing fee.
16	Any other document/information as may be required by the Commission for its own record or for inclusion in the Prospectus.
17	**Documents required after Approval of the Prospectus:** A final report regarding public offering within 15 working days of the close of the subscription period.

Note:

i. The documents submitted in the form of photo copy must be certified by an authorized representative of the Company.

ii. Application, Affidavits, undertakings, Power of attorney on stamp papers and Last Page of the Prospectus must also be submitted in hard form.

Fourteenth Schedule

Format of report by Securities Exchange

For quarter ended:

Brief overview of the Issuer and project details:

Name of Issuer.	
Proceeds from public offering.	
Purpose of the Issue.	
Planned Implementation.	
Name of supplier, if any.	
Name of EPC contractor, if any.	
Name of civil contractor, if any.	
Any other party/ies involved in execution of project.	
Regulatory approvals, if any required.	

Object specific observations:

Commitment made in the Prospectus	**Amount allocated in Prospectus**	**Start date (disclosed in the Prospectus)**	**Completion date (disclosed in the Prospectus)**	**Funds utilized**	**Current status**	**Observations**	**Deviation from Prospectus, if any observed.**

General Observations relating to implementation of project]

F. No.SMD/CIW/Misc./09/2015

(Bilal Rasul)
Secretary to the Commission