

Direct Sale of Goods (Management and Regulation) Rules, 2076

The Government of Nepal has made the following rules in exercise of the powers conferred by Section 57 of the Direct Sale of Goods (Management and Regulation) Act, 2074 published in the Nepal Gazette dated 2076/11/19.

Chapter-1

Introduction

1. Short title and preamble: (1) These rules may be called the “Direct Sale of Goods (Management and Regulation) Rules, 2076”.

(2) These rules shall come into force immediately.

2. Definition: In these rules, unless the subject or context otherwise requires,-

(a) “Act” shall mean the Direct Sale of Goods (Management and Regulation) Act, 2074.

(b) "Office" shall mean the Commercial, Supply and Consumer Protection Office under the Department and the term shall also include other government bodies exercising the powers delegated by the Department to carry out commercial administration work.

Chapter-2

Provisions on Licenses

3. Application: A company desirous of obtaining a license for the direct sale or distribution of goods other than those mentioned in Schedule-1 shall, in addition to the documents and particulars mentioned in sub-section (1) of Section 4 of the Act, submit an application to the Department in the format of Schedule-2, attaching the following documents and particulars:

(a) A copy of the certificate of Nepali citizenship of the director, (b) A tax return or tax return for the previous financial year in accordance with the prevailing Nepalese law, (c) A copy of the prevailing law or court order. Self-declaration that there is no outstanding fine, penalty or tax, and that there is no blacklist or blacklisting under this Act and other prevailing laws.

4. Granting of License: (1) If the Department, after examining the application received under rule 3, finds it appropriate to grant the license, the Department shall order the licensee to lodge within seven days an amount equal to the value of the paid-up capital of the company to be registered and a bank guarantee of the amount specified in sub-section (1) of section 5 of the Act or a bank guarantee of the same amount. (2) Where a bank guarantee is lodged under sub-rule (1), the validity of such bank guarantee shall be three months longer than the validity of the license. (3) The Department shall issue a license in the format of Schedule-3 to the company which files the license documents and cash deposit or bank guarantee in accordance with sub-rule (1).

5. Increase in share capital or increase in share capital: (1) If the business carried out by the licensee exceeds five times the share capital of the company, the Department may order such licensee to increase the share capital of the company or increase the share capital.

(2) In case the average turnover of the licensee for the last three financial years exceeds the authorized capital of the company, an order shall be issued to increase the authorized capital of the company within three months. (3) In case the average turnover of the licensee for the

last three financial years exceeds the authorized capital of the company within five months, an order shall be issued to increase the authorized capital of the company within one month.

(4) The licensee shall, in accordance with the order issued by the Department under sub-rule (1), inform the Department of the increase in the paid-up capital of the business and, if additional deposit is required, shall submit it in cash or a bank guarantee of the same nature to the Department.

(5) Notwithstanding anything contained elsewhere in this rule, if the increase in the paid-up capital of the business is found to be less than the deposit deposited by the licensee under sub-rule (2) of section 5 of the Act, the Department may order the licensee to add the amount due to such decrease.

(6) It shall be the duty of the licensee to register any additional refund or bank guarantee under sub-rule (5) of this Act with the relevant department.

6. Renewal of License: (1) A licensee who wishes to renew the license shall submit an application to the Department in the format of Schedule-4, at least sixty days before the expiry of the license, attaching the following supporting documents and particulars:-

(a) Proof of having paid the tax return for the previous financial year or a receipt for filing the tax return,

(b) A cash receipt or voucher showing the amount of the renewal fee deposited in the bank account specified by the Department at the rate of one per cent of the paid-up capital of the company,

provided that in the case of an application filed under sub-section (3) of Section 8 of the Act, the amount of the fee mentioned in this section shall be double the amount of the fee mentioned in this section. (c) If a bank guarantee has been lodged in lieu of the refund amount under rule 4, a bank guarantee letter from a reputable bank renewing or updating such bank guarantee.

2

(2) If the Department, while examining the application received under sub-rule (1), finds that the circumstances are satisfactory, it shall renew the license for a period of two years.

(3) Notwithstanding anything contained in sub-rule (2), the license of a company blacklisted under section 55 of the Act shall not be renewed for the period of time it remains in the blacklist.

Chapter-3

Various provisions to be followed by the licensee

7. Other dates to be observed by the licensee: In addition to the dates mentioned in Section 12 of the Act, the licensee shall also observe the following dates:-

(a) Where the approval of any other body is not required under the prevailing law for the direct sale or distribution of any goods under the Act and these regulations, the transaction of direct sale or distribution of such goods shall be carried out only after obtaining the approval of such body,

(b) If the ownership or liability of the company is transferred or changed under Section 10 of the Act, within seven days of such transfer or change of ownership or liability.

(c) The license and the price list of the goods to be sold or distributed directly shall be kept in a visible and accessible manner at the place of business.

8. Arrangements for physical storage: (1) The licensee shall, in accordance with the nature of the goods to be sold or distributed by him, maintain the quality of the goods and shall make necessary arrangements for physical storage to prevent the impact of the goods stored on the environment and public health.

(2) The licensee shall make arrangements for the necessary business software (business software) and information systems, including hardware, for the transparency and recording of all transactions related to the direct sale or distribution of goods.

(3) The business software and information systems, including hardware, used by the licensee pursuant to sub-rule (2) shall be under the control of the licensee.

(4) If the licensee is found not to have made necessary arrangements for the direct sale or distribution of goods, the Department may order the licensee to make necessary arrangements for the direct sale or distribution of goods within a period not exceeding three months.

9. Submission of a copy of the agreement to the Department: (1) The licensee shall submit a copy of the agreement entered into with the direct seller or distributor of goods in accordance with Section 14 of the Act to the Department within seven days of the conclusion of the agreement.

(2) If the matters referred to in sub-section (2) of section 14 of the Act are not clarified in the agreement submitted under sub-rule (1), the Board may, within seven days, issue an order to submit the necessary matters in such agreement in a clear and transparent manner.

3

10. Provision for commission or bonus: Where the licensee stipulates in the agreement entered into under Section 14 of the Act the amount of service, goods, commission and bonus to be provided to the direct seller or distributor of goods, the amount of such service, goods, commission and bonus shall be fixed in such a manner that it does not exceed forty-three percent of the selling price of the goods directly sold or distributed.

Clarification: For the purposes of this rule, the term "selling price" shall mean the price fixed in such a manner as to be less than the retail price.

11. Sale or distribution of domestic goods: (1) Where the licensee submits a detailed work plan for the direct sale of goods under clause (d) of sub-section (1) of Section 4 of the Act, such work plan shall specify that the goods of a similar nature (such as milled goods) produced domestically, which are similar to the foreign goods that he directly sells or distributes, shall be sold or distributed domestically, at a rate of fifty percent of the value of such foreign goods. (2) The licensee who sells or distributes goods in accordance with the work plan referred to in sub-rule (1) may maintain a stock of domestic or foreign goods in proportion to the value of such sale or distribution. (3) In submitting the details of direct sale or distribution of goods referred to in sub-section (2) of section 16 of the Act, the amount of sale or distribution of domestic and foreign goods shall be clearly disclosed and the value of the goods sold and the value in stock shall be added together, and the sale value of domestic goods shall be fifty percent of the total transaction value. (4) If the licensee directly sells or distributes goods not produced domestically, he shall submit to the department proof that such goods are not produced domestically and a certificate of origin issued by an official

bank of the country where the goods were produced. 12. Right to claim refund of purchased goods: (1) If the direct seller or distributor of the goods brought for refund under Section 17 of the Act refuses to refund the purchase price, the consumer may file a complaint with the Department in Kathmandu, in the case of Paktipuru and Lablitupuru districts, and the Supreme Court in the case of other districts, along with the bill or receipt issued by the direct seller or distributor. (2) If, on investigation of the complaint received under sub-rule (1), it is found that the complaint is false, the department or office shall immediately order the authorized direct seller or distributor to pay the outstanding amount to the consumer within seven days of the receipt of such goods under sub-section (2) of section 17 of the Act. (3) Notwithstanding anything contained in sub-rule (1), the goods shall not be returned in the following cases:-

- (a) If the purchaser changes the type or quantity of the goods purchased,
- (b) If the goods of a nature capable of being sold by using prohibited means have already been sold,

4

- (c) If the type or type of the goods cannot be ascertained without opening the bag or packet, If the goods which have been delivered have been delivered in a sealed container.

Chapter-4

Functions, duties and powers of the Department and the Director-General

13. Functions, duties and powers of the Department: In addition to the functions, duties and powers specified in Section 19 of the Act and elsewhere in these Rules, the following other functions, duties and powers of the Department shall be as follows:-

- (a) To keep a record of the information received from time to time from the licensee in accordance with the Act and these Rules,
- (b) To inquire into any objections of the user in the direct sale or distribution of goods and to issue necessary permits to the licensee or the direct seller or distributor of goods,
- (c) To implement the orders issued by the Director.

14. Complaint may be filed: (1) If any person suffers loss, damage or injury as a result of any act referred to in sub-section (2) of section 20 of the Act by any licensee or direct seller or distributor of goods, the aggrieved party may file a complaint in the form of Schedule 5 with the Department, stating the details of the loss, damage or injury suffered by him. (2) While filing a complaint under sub-rule (1), the said complaint shall be accompanied by evidence to substantiate the said claim.

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15. Procedures to be followed in conducting inspection, investigation or search: (1) The inspection officer shall, before conducting any inspection, investigation or search of any place in contravention of the Act or these Rules, follow the following procedure:-

(a) The inspection, investigation or search shall be conducted only after giving a written notice to the licensee or the direct seller or distributor of the goods, including the documents, of the intention to conduct the inspection, investigation or search;

(b) The inspection, investigation or search shall be conducted only in the country of sunrise, as far as possible;

(c) In case of inspection, examination or search, a sample of the goods for direct sale or distribution shall be taken for testing, and a report shall be prepared with the details thereof,

(d) The inspection, examination or search shall be conducted in such a manner as to avoid any loss or damage to any goods as far as possible.

(2) The inspection officer shall prepare a report as per Schedule-6 while conducting the inspection, examination or search in accordance with these rules.

(3) The inspection officer shall compulsorily carry his identity card with him while conducting the inspection, examination or search in accordance with these rules.

5

16. Functions, duties and powers of the inspection officer: In addition to the functions, duties and powers specified in Section 22 of the Act, the other functions, duties and powers of the inspection officer are as follows:-

(a) To request, inquire or make inquiries from the licensee, direct seller or distributor of the goods or any person concerned for necessary details or information,

(b) If any person objects to the inspection, examination or search, or if it is found that such person may object, to take such person under control with the assistance of the nearest police station,

(c) To seize any material which is inspected, examined or searched, Inspect and test goods, materials, tools or equipment, (d) If it is found necessary to test a sample of any goods to be

sold or distributed directly, take a sample of such goods and send it to a laboratory for

testing, (e) If during inspection, inspection or search it is found that any harmful or defective goods are being produced, sold or distributed or any action is being taken against the Act or these rules, stop the production or sale of such goods for a period of thirty days or seize such goods or take them into your possession, (f) Immediately issue any order or If the order or permit is deemed appropriate, such order or permit shall be issued.

17. Details to be included in the inspection report: The inspection officer shall include the following in the report submitted to the Department under clause (d) of sub-section (1) of section 22 of the Act:-

(a) The name, surname, address and address of the licensee or direct seller or distributor of the goods inspected, inspected or searched, and the reason for such inspection, inspection or search,

- (b) The goods for direct sale or distribution found at the place of inspection, inspection or search, and other relevant details,
- (c) If the goods for direct sale or distribution are seized, the reason for such seizure and the amount thereof, if any, taken into possession,
- (d) The direct sale or If a sample of the goods to be distributed has been taken for quality control, the name and address of the laboratory to which the sample was sent for testing, (e) details of any order issued to the licensee or the direct seller or distributor of the goods after inspection, inspection or search.

18. License may be revoked: (1) If the inspection authority refers the licensee for legal action under sub-section (1) of section 25 of the Act, the department may revoke the license of such licensee for a period not exceeding sixty days.

6

(2) Notwithstanding anything contained in sub-rule (1), if, before the time mentioned in sub-rule (1), the Government Attorney receives an opinion under sub-section (3) of section 39 that the matter will not proceed, the Department shall immediately dismiss the petitioner.

19. Functions, duties and powers of the Director General: In addition to the functions, duties and powers mentioned in sub-section (1) of Section 28 of the Act, the other functions, duties and powers of the Director General shall be as follows:-

(a) To authorize the Department to implement the findings obtained after conducting the study conducted under clause (a) or (b) of sub-section (1) of Section 28 of the Act,

(b) To authorize the Department to coordinate and cooperate with all other government and non-government bodies as may be necessary for the implementation of the Act and these rules.

20. Meeting and other facilities: The Chairperson and members of the Steering Committee and the Chairperson and members of the Steering Committee, as provided for in Section 30 of the Act, shall be entitled to such meeting and other facilities as may be prescribed by the Government of Nepal, the Ministry of Finance, and the Ministry of Education.

Chapter-5

Provisions for the preparation of reports and awareness raising

21. To operate a written contract: (1) The licensee shall, before engaging any direct seller or distributor of goods in the work prescribed by the Act and these Rules, issue a written contract on the following matters:-

(a) The provisions of the Act and the Rules relating to the direct sale or distribution of goods,

(b) The prevailing legal provisions relating to the rights of the user, the duties and responsibilities of the licensee, direct seller or distributor in the protection of the users,

(c) The functions, duties and responsibilities of the licensee and the direct seller or distributor of goods,

(d) The type of goods to be sold or distributed directly, its use (e) the services provided to the direct seller or distributor, (f) the policies, procedures and standards implemented by the Government of Nepal from time to time in the field of direct sale or distribution of goods. (2) Sub-rule (1) of the Act to maintain uniformity in the operation of the scheme

The Board may prepare and implement operational procedures.

22. Awareness program to be conducted: (1) The licensee shall conduct awareness programs from time to time to make the users aware of the safety of the goods sold or distributed directly, including the following topics:-

(a) Legal provisions regarding the safety of the goods sold or distributed directly,

7

(b) Provisions in the prevailing Nepal law regarding the safety of the users,

(c) Functions, duties and responsibilities of the licensee and the direct seller or distributor of the goods towards the users of the goods,

(d) Procedures for redress in case the licensee and the direct seller or distributor of the goods act contrary to the users' rights.

(2) The licensee shall broadcast and publish the approved awareness-raising advertisement on local FM radio, tabular business and newspapers as per the requirement for awareness of the users.

(3) Notwithstanding anything written elsewhere in these rules, the department may conduct various awareness-raising programs from time to time in the direct sale or distribution of goods subject to the Act and these rules.

Chapter-6

Provisions for the prevention of drug abuse

23. To investigate a complaint: (1) If a complaint is filed under Section 38 of the Act, the Inspection Authority may obtain necessary preliminary information from the complainant regarding the validity or truth of such complaint. (2) If, on the basis of the information received under sub-rule (1), it appears prima facie that the complainant has suffered or is likely to suffer loss or damage due to the non-performance of the duties of a licensee or direct seller or distributor, the Inspection Authority shall, as soon as possible, commence an investigation into the matter. 24. Investigation: (1) The inspection officer conducting an investigation into a complaint filed under Section 38 of the Act may exercise the powers conferred on him under Section 22 of the Act and Rule 16 of these Rules.

(2) The inspection officer may, during the course of the investigation, take photographs or audio-visual records of the place or thing inspected, examined or searched.

(3) The inspection officer shall search the premises of the potential licensee or direct seller or distributor.

(4) After the search operation under sub-rule (3) is completed, a warrant shall be drawn up in the format of Schedule-6 and the licensee or direct seller or distributor shall be present and the same shall be signed and stamped by the inspector. If any sample of any item is taken or seized during the search, it shall also be mentioned in the search warrant. (5) The inspection officer may, in order to collect necessary evidence during the investigation, seize any document or item in question or arrest any person, suspect or accused and cause such person to produce any document. (6) The inspection officer may, during the course of the investigation, enter the premises where the goods are kept for direct sale or distribution, send a sample of such goods for testing and, if the results are received, or, if otherwise ordered by the court, file a complaint, and prohibit the direct sale or distribution of such goods.

8

(7) In accordance with the Act and these Rules, the Inspection Officer may, if the evidence obtained immediately after the inspection by the authorized licensee or direct seller or distributor is sufficient to prove the guilt of the accused, open the case and keep it on a fixed date, release it without taking any money or bail or keep it in a place approved by the authorized District Court and conduct the inspection.

(8) After completing the inspection work, the Inspection Officer shall prepare an inspection report including the evidence obtained and submit it to the Government Attorney for his opinion on whether to prosecute the case.

25. Testing of Samples: (1) In the course of the investigation, if any sample of an article is taken by the Investigation Officer, the details in the format of Schedule-7 shall be sent to a laboratory established or not by the Government of Nepal for testing as soon as possible, so as not to adversely affect the nature or quality of such article. (2) After testing the sample received under sub-rule (1), the laboratory shall send a report in the format of Schedule-8 to the Department, including the results of the test of such sample of the article. 26. Information to be given: If, while examining the inquiry report received by the Inspection Authority under sub-rule (8) of rule 24, it is decided that the Government Attorney will not proceed with the investigation against the licensee or the direct seller or distributor of the goods, the Inspection Authority shall give information thereof to the complainant within seven days.

27. Government of Nepal not liable: The Government of Nepal shall not be liable for any loss or damage suffered by the licensee or direct seller or distributor due to the loss or damage of any goods seized or seized during the course of inspection, investigation, search or inquiry conducted in accordance with the Act and these regulations. 28. Release of seized or detained goods: If, in the course of inspection, investigation, search or inquiry conducted under the Act and these Rules, a sample of any goods seized or detained under the Act or these Rules is found to be in conformity with the prescribed standards or specifications for use, the inspection authority shall immediately release the ban imposed on the direct sale or distribution of such goods.

29. Obeying the order of the Inspection Authority: If the Inspection Authority has given any order to any person during the hearing under these rules, it shall be the duty of such person to comply with such order.

Chapter-7

30. Classification of Licensee: The Department shall issue a license The licensee may be classified on the basis of the paid-up capital of the company, the amount of the transaction and the number of sellers or distributors.

31. Social security: The licensee shall provide social security to the persons involved in the direct sale or distribution of goods, in accordance with the prevailing law.

9

32. Records to be kept: (1) The licensee shall keep a record of all transactions of direct sale or distribution of goods and the details of the direct sellers or distributors of the goods in the format specified in Schedule-9.

(2) The licensee may keep the records of the licensee in the electronic system as per sub-rule (1). Such records may be inspected, inspected or checked by the department or the inspection authority at any time as per the requirement.

(3) The licensee shall submit the report under sub-section (2) of section 45 of the Act in the format of Schedule-10.

33. Filing of records and keeping of records: The department shall keep the records of the licensee in the format of Schedule-11, updated with the details received from time to time under section 46 of the Act.

34. Details may be changed: (1) If the licensee wishes to change any general details mentioned in the license, he shall submit an application to the Department in the format of Schedule-12 along with a fee of five hundred rupees.

(2) If the content of the application received under sub-rule (1) is not satisfactory, the Department shall change such details and inform the licensee thereof.

(3) If it is found that any details cannot be changed in the application made under sub-rule (1), the Department shall inform the licensee thereof within seven days of the date of the application, including the reason for doing so.

35. Copy of License: (1) If a copy of the license is required for the purpose mentioned in Section 51 of the Act, the licensee shall submit an application to the Department stating the reason for the request.

(2) If the application received under sub-rule (1) is found to be false, the Department shall provide a copy of the license to the licensee on payment of a fee of five hundred rupees.

36. May use electronic means: The Department may make necessary arrangements to enable the execution of all activities related to direct sale or distribution of goods under the Act and these rules through electronic means or online platforms.

37. Submission of report: The department shall submit a quarterly report of its work done in accordance with Section 54 of the Act to the Ministry in the format of Schedule-13.

38. Blacklisting: (1) If, on examination of the details or documents submitted by any company for obtaining a license in accordance with the Act and these rules, such details or documents are found to be false, the department may blacklist such company for a period of two years.

(2) The information on blacklisting in accordance with sub-rule (1) shall be made public.

(3) The company blacklisted under sub-rule (1) shall be subject to legal action under other prevailing laws and shall be sent to the competent authority for further action.

39. Modification or addition to the list may be made: The Ministry may make necessary modifications or additions to the list by publishing a notification in the Nepal Gazette.

10

List-1

(Subject to Rule 3)

Items for which a license is not granted for direct sale or distribution

1. Medicines which are sold only on the recommendation of a doctor under prevailing laws,
2. Items which may have adverse effects on the health of the user, including medicines and related products,
3. Articles made of magical or similar non-standard supernatural materials, including tantra mantras,
4. Articles without trademark registration,
5. Other articles prescribed by the prevailing law or the Government of Nepal by publication of a notice in the Gazette, for export, import and direct sale or distribution.

11

Schedule-2

(Completed with Rule 3)

Attachment:

Mr. Vasijya, Supply and Consumer Protection Department,

.....

Subject: Obtain a license to operate a business of direct sale or distribution of articles.

I/We have submitted this application for a license to operate a business related to the direct sale or distribution of goods in accordance with Section 4 of the Direct Sale of Goods (Management and Regulation) Act, 2074 and Rule 3 of the Direct Sale of Goods (Management and Regulation) Rules, 2076, enclosing the following documents and particulars. Attached documents and details:

1= Company certificate, certificate of incorporation, certified copy of bylaws,

2= Copy of income tax certificate,

3= Value added tax certificate,

4= Tax clearance certificate or tax return,

5= Detailed work plan for direct sale of goods, profit, company distribution plan,

6= List of goods to be sold,

7= Location of sales room,

8= Number of sellers or distributors,

9= Copy of Nepali citizenship certificate of directors,

10= Any fines, penalties or fees to be paid as per prevailing law or court order

Self-declaration that there is no fraud and that there is no blacklist or blacklisting under the Act and other prevailing laws.

Company Seal Maker,-

Signature:

Name:

Name of the Company:

Date:

12

Schedule-3

(Company 4 with sub-rule (3))

Form of License

Government of Nepal

Ministry of Industry, Commerce and Industry

Department of Commerce, Industry and Consumer Protection

License No.....

Shri.....(Company),

to operate the business of direct sale or distribution of goods under the Direct Sale of Goods (Management and Regulation) Act, 2074, the Direct Sale of Goods (Management and Regulation) Rules, 2076, other prevailing laws and the attached dates

Rules of the said Rules

This license has been granted to the company in accordance with the provisions of sub-rule (3) of the Act. Nature of business: Location of sales room: Number of sellers or distributors:

Date of issue of license: Of the officer granting the license, – Name: Signature: Nationality:

(on reverse side) Dates to be observed by the company 1= 2= 3=

Renewal Signature of the authorized representative for renewal of license Country: 13 Note:

If any change or addition is to be made to the location of the sales room, the approval of the company shall be sought prior to the issue of the license. 14

Schedule-4

(Completed with sub-rule (1) of rule 6)

Form of application for renewal of license

Attachment:

Shri Vasijya, Supply and Consumer Protection Department,

.....

Subject: Renewal of license.

The validity of the License No. ... granted to this company for the direct sale and distribution of goods has expired on Therefore, for the renewal of the said license, I have submitted this application for the renewal of the said license, by attaching the following documents and particulars, within sixty days of the date specified in sub-section (2) of section 8 of the Direct Sale of Goods (Management and Regulation) Act, 2074, / within fifteen days of the date specified in sub-section (3). Attached documents and particulars: 1= License renewal fee Rs.Forged receipt or voucher,

2= Copy of license,

3= Copy of company registration certificate updated statement,

4= Copy of income tax certificate,

5= Tax return/tax clearance certificate for the previous financial year,
6= Bank guarantee in lieu of refund, letter of guarantee from the authorized bank renewing or updating such bank guarantee,
7= Detailed action plan, profit, and distribution plan for direct sale or distribution of goods.

Company Seal Maker,-

Signature:

Name:

Name of the Company:

Date:

15

Schedule-5

(Complied with sub-rule (1) of rule 14)

Form of complaint for claim of compensation

Shri Vasijya, Supply and Consumer Protection Department,

.....

Subject: May I be provided with compensation.

I/We hereby submit this complaint under Rule 14 of the Direct Selling (Management and Regulation) Rules, 2076 BS, stating that the following information is true and correct, and that if any information is found to be false, the complaint will be dismissed. (a) Work done or commissioned by the licensee/direct seller or distributor of the goods:

1. ...

2. ...

3. ...

4. ...

(b) Details of the loss, damage or injury suffered as a result of the said action:

(c) Proof of receipt of the claim:

(d) The amount of the damage (amount or goods) claimed:

The applicant,-

Signed:

Name:

Date:

16

Schedule-6

(Compliance with sub-rule (2) of rule 15 and sub-rule (4) of rule 24)

Form of inspection, examination or search warrant

Inspection warrant issued by the authority of..... (Name of the place where the inspection, examination or search is to be carried out) on the date of..... Type of inspection or investigation: Regular/Accidental

2. If inspection, investigation or search was conducted on the basis of any information, a brief description of such information:-

.....

3. Details of the place where the inspection, investigation or search was conducted and the company or person:-

.....

4. Brief description of the things inspected, investigated or searched by the inspector during the inspection, investigation or search:-

.....

5. If any item was seized during the inspection, investigation or search, the amount and details of such item:-

.....

6. The person or company official who is inspected, examined or searched,-

Name, surname: Age:

Song:

Signature:

7. Any item that is inspected, examined or searched for which a sample has been taken:

Name of the item taken as a sample:

Condition:

Year of production:Batch No.:

Expiration date: M

Maximum retail price per unit:

Other details:

8. Brief details of any concessions made by the inspector to the licensee or the seller or distributor of the goods after the inspection:

.....

In the event of a search being conducted during the investigation, the person signing the document,

D. 1. 2.....Isnevasath....of(Name, Surname and Surname) M

Completion of work:-

Banrikshi Abikrita:- (Name, Surname and Signature)

Other Officers/Police Officers:-

1. Name, Surname:Signed

2. Name, Surname:Signed

17

almost

Time:

Schedule-7

(To be read with sub-rule (1) of Rule 25)

Format of consignment note for sample testing of goods

Letter No.: To:

Not Invoiced:

Shri

.....

The following sample of goods is sent herewith for examination in accordance with Rule 25 of the Direct Sale of Goods (Management and Regulation) Act, 2074 and the Direct Sale of Goods (Management and Regulation) Rules, 2076. It is requested that the said goods be examined and a report thereof sent to this

Department/Office as soon as possible.

Particulars

1. Name of the goods for which the sample has been sent for examination:
2. Quantity:
3. Serial Number of the goods:
4. Number of the numbers written on the outer cover of the packaging:
5. Address and place where the sample of the goods was taken:
6. Test to be carried out:
7. Any other matter, if necessary, to be stated:

Inspection Officer,...

Office Seal: Signature:

Name, Title:

18

Exhibit-8

(Compliance with sub-rule (2) of rule 25)

Format of Sample Test Report

Shri.....

(Name of sender)..... Letter No. and serial number of letter received along with the letter of..... Don't get the exam:

4. OPINION WITHOUT EXAMINATION OR ANALYSIS:

Name of the Laboratory: Tester,-

Laboratory Seal: Correct:

Name and Surname:

Dajath:

almost

19

Schedule-9

(To be read with sub-rule (1) of rule 32)

.....

.....

Records of business and other details

clause (a)
(Personal details)

License Number:

.....Detailed account of sale to seller or distributor for direct sale or distribution of goods to seller/distributor

(A.V. . . .)

No.

No.

Bambat sold ta or

Name of the Vavataraka,
the song

permanent

Accounting

No.

sales

room

Sales or distribution of goods

(Rs.)

Jonas

(Rs.)

Allowance of other service charges (Rs.)

Number Unit Maximum Value

(Rs.)

Prepared,... Prepared,...

Signature Signature

Name M Name M

PostM Post M

Bombat ===== Bombat =====

20

clause (b)

.....Purchase Record Account of Direct Sale of Goods or Goods of
Self-Delivery under Distribution (A.V. ...

Sr.No. The fact that the details of the goods have been scrapped

Number Unit Rate (Rs.) Maximum Price (Rs.)

Prepared, - Prepared, -

Signature Signature

Name M Name M

Verse M Verse M

Bombat ===== Bombat =====

21

clause (c)

Sr.No.

The fact that the details of the goods have been scrapped

No. Unit Rate (Rs.) Maximum Price (Rs.) No

Prepared,... Prepared,...

Signature Signature

Name M Name M

PostM Post M

Bombat ===== Bombat =====

22

clause (d)

----- Direct sale of goods of entertainment or sale of self-made goods included in retail, etc.
Recorded Account (A.V....)

No.

No.

More details about the item

price

Provision for sale or distribution

Number Unit Rate

(Rs.)

Final Price (Rs.)

Prepared,... Prepared,...

Signature Signature

Name M Name M

Verse M Verse M

Bombat ===== Bombat =====

23

clause (e)

----- Direct sale or distribution of goods of entertainment Sales or distribution of goods
included in inventory account (A.V. ...)

No.
No.
More product details
Khadru price

Provision for sale or distribution

Number Unit Rate
(Rs.)
Final Price (Rs.)

=====

Prepared,...	Prepared,...
Signature	Signature
Name M	Name M
PostM	Post M
Bombat =====	Bombat =====

24
Clause (f)

----- Direct sale or distribution of merchandise including purchase, sale or distribution and
unbooked account of balance amount

Prepared,... Prepared,...
Signature Signature
Name M Name M
PostM Post M
Bombat ===== Bombat =====

Sr.No. Details of the goods: Amount added to the inventory of the previous financial year
Amount purchased Amount sold or distributed Amount of goods sold or distributed Amount
of goods not sold or distributed (a) Domestic goods 1.

(b) Domestically produced goods 1.

(c) Domestically produced goods 1.

(2) when
total

25
Schedule-10

(Included with sub-rule (3) of rule 32)

License No.....bombat-----

Direct sale of goods or other ----- Quarterly/Annual reporting (A.V. -----)

Number of Dealers or Distributors:

Sales Room No.:

Number of shajlalas held by the business:

No. No. The specified number of units of the item sold or distributed
price

of the object

Balance

(stock)

Paramari

Amount of price (Rs.) paid to seller or distributor

Maximum Rate (Rs.) Cabmin Plus Other Services

Suvaviya

when

(a) Own goods

1.

2.

Insurance

(b) Domestically produced goods

1.

2.

Insurance

(c) Non-domestically produced goods

1.

Insurance

Total

Note: The Company's Income and Expenditure Statement for this Quarterly Period/Income and Expenditure Statement for the Annual Period, Cash Flow Statement and Balance Sheet and Audit Report are attached herewith.

==

Ar

Ministry of Industry, Finance and Resources

Department of Defense including Medicines, Resources and Utilities

Direct sale or distribution of goods Data Abilkeh Account (A.V.-----)

No.

No.
Licensee
of a thing or object
kind of

license
the number

quarterly
(first,
second, third,
fourth)

when
seller
or
spreader
the number
when
sales
room
the number

Paid to the seller or distributor at the selling price
Price (Rs.)

By the way

Number e
of
e
Parr
Mr
price
(Rs.)
Cabinet Ones Others
service
Suvaviya
when

1. ----Sale or distribution of domestic goods, domestically produced goods, foreign goods, non-domestic goods, foreign goods, etc. 2. ===== Sales or distribution of domestic goods, domestically produced goods, etc. 27

Sale of domestic goods, domestically produced goods or distribution of foreign goods not produced or distributed in the country

. == of the object itself

Sale or distribution of domestically produced goods

Sale or distribution of foreign goods not manufactured in India

sale or otherwise

when

Kula = pei gane]{ko,- pramashit ganeko

,

-

Signature Signature

Name: Name:

Post: Post:

Bombat Bombat

28

Unscheduled – 12

(To be read with sub-rule (1) of rule 34)

Pattern of Dadnebanvedana for Vavavari Paravatathan

About

Shri Vashijya, Department of Defense including Support and Advocacy,

.....

Subject: Get approval for detailed changes.

I have submitted this application along with the documents required for the approval of this company as per the rules (documents not found to be false).

Details

The above information is correct and true, and if found to be false, the application will be accepted.

Company Seal:

Applicant,—

Signature:

Name of Director:

Name of Company:

Address:

Reference:

29

Schedule-13

(Compliance with Rule 37)_

Government of Nepal

Ministry of Industry, Commerce and Supplies

Reference:

Department of Commerce, Commerce and Consumer Protection

Reference: =====

Shri Ministry of Industry, Commerce and Supplies,

Basinh Darbar, Kathmandu.

Subject: First/Second/Third Quarterly Report of the year has been submitted.

Direct sale or distribution of goods under the provisions of Section 54 of the Direct Sale of Goods (Management and Regulation) Act, 2074 and Rule 37 of the Direct Sale of Goods (Management and Regulation) Rules, 2076. . ---The details of the work done by this department during the quarter are as follows:-

-1_ Number of licenses issued for operating businesses related to direct sale or distribution of goods during the period:-----

-2_ Number of licenses renewed: -- --

-3_ Number of times capital increase or refund has been made to the licensee: --

-4_ During this period, the licensee's supervision, inspection, Number of complaints received:

-5_ Number of complaints received by users in the direct sale or distribution of goods during this quarter:

... and number of complaints received: ...

-6_ Number of complaints received during this quarter: Number of actions taken against licensees for contravening the Direct Selling (Management and Regulation) Rules, 2076: .. and brief details thereof:

-7_ Number of quarterly returns received by licensees during this period:...

-8_ Direct sale or distribution of goods during this period Awareness programs are being conducted in all sectors of the economy. Number of dead persons: ...

-9_ All other details:

Pei gane]{ko,- pramashit ganeko,-

Signature Signature

Name: Name:

Post: Post:

Bombatah BombatM