



BHUTAN AIRLINES®

(Tashi Air Pvt. Ltd.)

Fly with us to the land of happiness



ABRIDGED PROSPECTUS FOR THE ISSUANCE OF TASHI AIR PVT LTD CORPORATE BOND (SERIES IV)

In line with the rules and regulations prescribed under the Companies Act of Bhutan 2016, the following particulars comprise full, true and clear disclosure of all material facts relating to the securities offered by this prospectus:

1. General Information

Bhutan Airlines (Tashi Air Pvt. Ltd) is a private limited company offering airline service between Bhutan and the rest of the world with its Head Office located at TCC Complex Building, Opposite Pemako, Samten Lam, Thimphu, Bhutan.

Name & Address of Auditors: M/s Mookherjee Biswas & Pathak Chartered Accountants, Kolkata, India.

Registration/ License: Registered as Private Limited Company under the Companies Act of Bhutan 2016 vide registration no. U20110613THI0271 dated 13th June 2011.

2. Objectives of the Issue: To meet annual long term debts obligations and working capitals to meet the operational and other statutory expenditures of the company.

3. Particulars of the Offer

Particulars	No. of scripts	Face Value	Issue Price	Total value of Offer
Fully Secured Corporate Bond (Series IV)	496,000	Nu. 1,000/-	Nu. 1,000/-	496,000,000.00

Term of the Bond, Coupon Rate and Interval of Payment

Term	Coupon Rate	Payment of Coupon	Minimum Subscription	Broker
10 Years	7.5% p.a. (From the date of Allotment)	Annually	10 scripts for individuals and 1000 scripts for institution	RICB Securities Ltd.

4. Eligibility: All companies/institutions registered within the Kingdom are eligible to apply/allotment. Private individuals holding Bhutanese Citizenship will be eligible, while minors are not eligible to either apply or get allotment of the scripts.

5. Time line of the Issue

Opening Date	Closing Date	Allotment Date
21.06.2024	04.07.2024	05.07.2024

6. Application form and where to deposit application form and money Application form will be available at the following centers: RICBL Securities Limited, Thimphu Bhutan and all the branches of RICBL across the country.

7. Basis of Allotment: The allotment will be done based on 'Equal Allocation Method' as per RSEBL norms.

8. *Risk Factor:* Some of the possible risks and uncertainties are: Economic recessions or downturns or uncertainty in the regional or domestic including markets where Tashi Air operates may also financially affect with lower passenger load factor, low cargo revenue and other revenues. Bhutan Airlines has to compete with the other airlines for the sectors that are flying in and out of Bhutan and with other Airlines in the sectors that are out of Bhutan, e.g. to the destinations such as Kathmandu, Kolkata, Delhi, Gaya and Bangkok; Demand for Tashi Air can also be affected by global fluctuations in foreign currency and interest rates, which can reduce the discretionary spending of consumers in prices of airfares in different countries of destinations

9. Guarantor/Securities: Fully backed by landed properties of Tashi Real Estate and RICBL Shares; Corporate Guarantee from Tashi Metals Pvt Limited, Tashi InfoCom Limited and land bearing Thram no. 5031 measuring 3.48 acres in Thimphu.



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10. Board of Directors comprises of: Dasho Wangchuk Dorji, Chairman; Dasho Topgyal Dorji, Director, TCC; Ms. S. Dorji, Director and Mr. Pema N Nadik, CEO/Member Secretary.
11. Management: Bhutan Airlines has a very competent management team with vast work experience and the new Chief Executive Officer would work under the supervision of its eminent Board of Directors.
12. Promoters: The promoters of the Company are: Ms. Savitri Dorji, TCC; Dasho Topgyal Dorji, TCC; and Dasho Wangchuk Dorji, TCC.
13. Financial Highlights:

Projected Profit and Loss Account: 2024-2026 (Nu. in millions)

Particulars	2024	2025	2026
Revenue			
Traffic Revenue	2,089.85	2,433.31	2,634.41
Other revenue	345.7	338.17	380.4
Total Revenue	2,435.55	2,771.48	3,014.81
Expenses			
Flight Operation Cost	1,423.53	1,624.26	1,752.26
Aircraft maintenance costs	287.14	301.35	350.35
Commission charges	210.15	251.16	252.16
Employee & Administrative costs	259.64	285.6	311.8
Finance charges	138	142	145
Depreciation	8.6	5.6	7.1
Total Expenditure	2,327.06	2,609.97	2,818.67
Operating Profit/(Loss)	108.49	161.51	196.14
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14. Declaration:
That all relevant provisions of the Companies Act of Bhutan and the rules and regulations issued by the Royal Securities Exchange of Bhutan have been complied with and no statement made in the prospectus contrary to the provisions of Companies Act of Bhutan 2016.

Place: Thimphu
Date: 19.06.2024

Pema Namgyel Nadik
Chief Executive Officer