



**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
SPECIALIZED COMPANIES DIVISION  
(MODARABA WING)**

No. SC/M/RW/Cir/2010-

August 10, 2010

**Circular No. 21 of 2010**

Subject: **Clarification on clause 3(ii) of Part II of the 3<sup>rd</sup> Schedule of the Modaraba Companies and Modaraba Rules, 1981**

Certain Modaraba Companies have sought clarification on the applicability of clause 3(ii) of Part-II (Requirement as to Profit & Loss Account) of the 3<sup>rd</sup> Schedule to the Modaraba Companies and Modaraba Rules, 1981 to Ijarah (lease) assets.

2. In this connection, it is clarified that disclosure requirements as prescribed under clause 3(ii) of Part-II of the 3<sup>rd</sup> Schedule to the Modaraba Rules, 1981 do not apply to sale or transfer of Ijarah (lease) assets by a Modaraba in normal course of business.

**Sd/-**

**(Umar Hayat Khan)**  
Registrar (Modarabas)

**Distribution:**

1. Chief Executives of all Modaraba Companies.
2. The Modaraba Association of Pakistan.
3. Managing Directors of all Stock Exchanges.
4. Institute of Chartered Accountants of Pakistan.
5. Institute of Cost of Management Accountants of Pakistan.
6. Executive Director (M&I) (South) SECP.
7. Director (IS & T), SECP.
8. Office Copy.