

Circular No. 21 - Reference No. SC/NBFC-C/691/2003
PRUDENTIAL REGULATIONS FOR NON-BANKING FINANCE COMPANIES
(NBFCs) UNDERTAKING THE BUSINESS OF LEASING ONLY.

August 25, 2003

In view of the practical difficulties being faced by the NBFCs engaged in the business of leasing only (previously known as leasing companies), in giving effect to their business transactions and preparation of accounts, the Commission considering it necessary and expedient so to do has decided to issue directions in the form of regulations for the afore-said NBFCs.

The Commission, therefore, in exercise of its powers conferred by section 282D of the Companies Ordinance, 1984 hereby directs all NBFCs undertaking the business of leasing only to conduct their businesses in conformity with the directions/regulations enclosed herewith as Annexure-I. These regulations shall be called prudential regulations for NBFCs undertaking the business of leasing only and come into force with immediate effect. It may be noted that the requirements contained in the said regulations are the same as were earlier prescribed through the Leasing Companies (Establishment and Regulation) Rules, 2000 and shall remain in force till any new directions/regulations are issued by the Commission. Any violation in this regard shall be dealt with under the provisions of the Companies Ordinance, 1984.

(Najam Ali)
Executive Director

Distribution

1. Chief Executives of all NBFCs undertaking the business of leasing only.
2. Managing Directors of all Stock Exchanges.

[Annexure-I to Circular 21](#)