

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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Islamabad, the 17th October, 2017

NOTIFICATION

S.R.O. 1061 (I)/2017.- The following draft of certain further amendments in the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 which are proposed to be made by the Securities and Exchange Commission of Pakistan, with the approval of the Federal Government, in exercise of the powers conferred by sub-section (1) of section 282B of the Companies Ordinance, 1984 (XLVII of 1984), is hereby published in the official Gazette for the information of all persons likely to be affected thereby and notice is hereby given that objections or suggestions thereon, if any, may be sent to the Commission within fourteen days from the date of its publication in the official Gazette which on receipt before expiry of that period will be taken into consideration, namely:-

DRAFT AMENDMENTS

In the aforesaid Rules,-

- (a) in rule 5, in sub-rule (5), for full stop at the end a colon shall be substituted and thereafter the following provisos shall be added, namely:-

“Provided that a person shall not be required to obtain licence, if engaged in business of micro financing, but having less than five thousand active borrowers or having outstanding loan portfolio of less than fifty million rupees:

Provided further that such person should be receiving funding or financing from a bonafide source such as local or international donor agencies of repute or Federal or Provincial Governments or their agencies or entities regulated by the Commission or State Bank of Pakistan or such other sources as specified by the Commission and such providers of funding shall endeavor to route the funding through proper banking channels and to oversee its operations so that these are conducted legitimately, as specified by the Commission.”; and

- (b) in rule 7, in sub-rule (2), in clause (ba), in the proviso for semi-colon at the end a colon shall be substituted and thereafter the following provisos shall be added, namely:-

“Provided further that non-bank microfinance companies may set up non-financial subsidiaries with prior approval of the Commission, that are hundred percent owned by it and whose business is conducted so as to supplement or complement the community service objective of the non-bank microfinance company:

Provided also that the conditionalities and modalities pertaining to these investments shall be specified by the Commission and any exceptions thereto shall be decided by the Commission on case to case basis;”.

No. SY/SECP/8/13


(Bilal Rasul)
Secretary to the Commission