

PRESS RELEASE

DRAFT AMENDMENTS TO THE NON-BANKING FINANCE COMPANIES (ESTABLISHMENT AND REGULATION) RULES, 2003

Islamabad – 28 April 2006: The Securities and Exchange Commission of Pakistan (SECP) has proposed amendments in Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (Rules). These amendments have been drafted after an extensive in-house exercise. The objective is to update the legal framework for establishment, operation and conduct of NBFCs in accordance with the changing environment of the NBFC sector.

The NBFC sector as a whole has grown over the last year. This change is largely attributed to introduction of regulatory reforms aimed at development of NBFCs and enhanced supervision by the SECP. Amendments in the Rules are targeted at bringing the legal provision at par with market development.

The new set of draft Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (Rules) has been placed on SECP's website www.secp.gov.pk. Relevant comments and feedback may be sent to SECP by 17th May 2006 address to Ch. Mazhar Hussain, Fax # 9218590, and e-mail: mazhar.hussain@secp.gov.pk.