

26 DEC 1997

STATE BANK OF PAKISTAN  
 BANKING POLICY & REGULATIONS DEPARTMENT  
 CENTRAL DIRECTORATE  
 KARACHI

Commercial Bank Ltd.  
 Head Office, Karachi.

336

BPRD CIRCULAR NO. 42

26th December, 1997.

All Banks/DFIs.

M. C. B. I. C. D. H. O.  
 DAK RECEIVED  
 27 DEC 1997  
 IN No.....547.....

Mr. M. Aleemuddin.

Mr. A. Bozal H. Adam.

Dear Sirs,

ACCEPTANCE OF LEASED HOLD LAND AS  
 COLLATERAL/SECURITIES

Mr. Shamz-Idhar

✓ All Area Executives/  
 Divisional Heads

Kindly refer to BCD Circular No.1 dated the 9th January, 1971 in terms of which advances above Rs 100,000 against real estate can be made only for productive purpose or for construction of houses subject to margin of 40%. Such advances can be made against the security of land and/or buildings. It is clarified that security of land includes a valid "Leased Hold Land" having an un-expired lease period of more than 10 years.

Plan disain  
 with copy of  
 circular  
 27/12/97

2. The above instructions shall come into force immediately.
3. Please acknowledge receipt.

YHS  
 M. Baig  
 H. Baig

Yours faithfully,  
 Mansur ur Rehman  
 (MANSUR-UR-REHMAN KHAN)  
 DIRECTOR