

# FINCA MICROFINANCE BANK LIMITED

## Condensed Interim Balance Sheet

As at 31 March 2022

|                                      |      | (Un-Audited)<br>31 March 2022 | (Audited)<br>31 December 2021 |
|--------------------------------------|------|-------------------------------|-------------------------------|
|                                      | Note | Rupees                        | Rupees                        |
| <b>Assets</b>                        |      |                               |                               |
| Cash and balances with SBP and NBP   | 6    | 1,723,717,937                 | 1,702,585,689                 |
| Balances with other banks/NBFIs/MFBs | 7    | 153,842,469                   | 278,598,549                   |
| Investments - net of provisions      | 8    | 10,894,124,878                | 10,229,997,480                |
| Advances - net of provisions         | 9    | 19,225,410,140                | 18,827,193,888                |
| Operating fixed assets               |      | 1,857,707,227                 | 1,966,209,373                 |
| Other assets                         |      | 3,323,457,729                 | 3,033,007,520                 |
| Deferred tax asset                   |      | 942,497,822                   | 1,014,865,800                 |
| <b>Total assets</b>                  |      | <b>38,120,758,202</b>         | <b>37,052,458,299</b>         |
| <b>Liabilities</b>                   |      |                               |                               |
| Deposits and other accounts          | 10   | 26,399,456,846                | 25,419,127,446                |
| Borrowings                           | 11   | 4,197,003,885                 | 4,381,378,885                 |
| Subordinated debt                    |      | 800,000,000                   | 800,000,000                   |
| Other liabilities                    |      | 2,713,606,062                 | 2,714,340,019                 |
| <b>Total liabilities</b>             |      | <b>34,110,066,793</b>         | <b>33,314,846,350</b>         |
| <b>Net assets</b>                    |      | <b>4,010,691,409</b>          | <b>3,737,611,949</b>          |
| <b>Represented by:</b>               |      |                               |                               |
| Share capital                        |      | 6,348,887,110                 | 6,348,887,110                 |
| Discount on issue of shares          |      | (4,089,040,293)               | (4,089,040,293)               |
| Statutory reserve                    |      | 868,881,433                   | 868,881,433                   |
| Depositors' protection fund          |      | 290,537,107                   | 286,448,527                   |
| Unappropriated Profit                |      | 595,404,842                   | 334,322,112                   |
|                                      |      | <b>4,014,670,199</b>          | <b>3,749,498,889</b>          |
| Surplus on revaluation of assets     |      | (3,978,790)                   | (11,886,940)                  |
| Deferred grants                      |      | -                             | -                             |
| <b>Total capital</b>                 |      | <b>4,010,691,409</b>          | <b>3,737,611,949</b>          |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Director

**FINCA MICROFINANCE BANK LIMITED**  
**Condensed Interim Profit and Loss Account (Un-audited)**  
*For the Quarter ended 31 March 2022*

|  | Note | <b>Quarter ended (Un-Audited)</b> |                      |
|--|------|-----------------------------------|----------------------|
|  |      | <b>31 March 2022</b>              | <b>31 March 2021</b> |
|  |      | <b>Rupees</b>                     | <b>Rupees</b>        |
| Mark-up / return / interest earned                   | 12   | <b>1,604,976,369</b>              | 1,820,980,327        |
| Mark-up / return / interest expensed                 | 13   | <b>(706,971,983)</b>              | (667,100,539)        |
| Net mark-up / interest income                        |      | <b>898,004,386</b>                | 1,153,879,788        |
| Provision against non-performing loans and advances  |      | <b>173,514,564</b>                | (501,151,324)        |
| Provision for diminution in the value of investments |      | -                                 | -                    |
| Bad debts written off directly                       |      | <b>(6,700,737)</b>                | 395,773              |
|  |      | <b>166,813,827</b>                | (500,755,551)        |
| Net mark-up / interest income after provisions       |      | <b>1,064,818,213</b>              | 653,124,237          |
| <b>Non mark-up / non interest income</b>             |      |                                   |                      |
| Fee, commission and brokerage income                 | 14   | <b>143,930,938</b>                | 146,593,342          |
| Dividend income                                      |      | -                                 | -                    |
| Other income   |      | <b>80,791,270</b>                 | 54,444,140           |
| Total non mark-up / non interest income              |      | <b>224,722,208</b>                | 201,037,482          |
|  |      | <b>1,289,540,421</b>              | 854,161,719          |
| <b>Non mark-up / non interest expenses</b>           |      |                                   |                      |
| Administrative expenses                              |      | <b>(913,893,253)</b>              | (858,261,185)        |
| Other charges  |      | <b>(14,835,949)</b>               | (8,814,097)          |
| Total non mark-up / non interest expenses            |      | <b>(928,729,202)</b>              | (867,075,282)        |
| <b>Profit / (Loss) before taxation</b>               |      | <b>360,811,219</b>                | (12,913,563)         |
| Taxation - Current year                              |      | <b>(22,800,915)</b>               | (30,330,267)         |
| Prior years  |      | -                                 | -                    |
| Deferred   |      | <b>(76,927,574)</b>               | 38,032,027           |
|  |      | <b>(99,728,489)</b>               | 7,701,760            |
| <b>Profit / (Loss) after taxation</b>                |      | <b>261,082,730</b>                | (5,211,803)          |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chairperson**

\_\_\_\_\_  
**Director**

# FINCA MICROFINANCE BANK LIMITED

## Condensed Interim Statement of Other Comprehensive Income (Un-audited)

For the Quarter ended 31 March 2022

|  | Quarter ended (Un-Audited) |                    |
|--|----------------------------|--------------------|
|  | 31 March 2022              | 31 March 2021      |
|  | Rupees                     | Rupees             |
| <b>Profit / (Loss) after tax</b>   | <b>261,082,730</b>         | <b>(5,211,803)</b> |
| <b>Other comprehensive income for the year - net of tax</b>                |                            |                    |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> |                            |                    |
| Remeasurement of post defined benefit obligation                           | -                          | -                  |
| Impact of deferred tax   | -                          | -                  |
|  | -                          | -                  |
| <i>Items that may be reclassified subsequently to profit or loss:</i>      |                            |                    |
| <i>Net change in fair value of 'available-for-sale' securities</i>         | <b>7,908,150</b>           | <b>(2,924,000)</b> |
|  | <b>7,908,150</b>           | <b>(2,924,000)</b> |
| <b>Total comprehensive income / (loss) for the period</b>                  | <b>268,990,880</b>         | <b>(8,135,803)</b> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Director

FINCA MICROFINANCE BANK LIMITED

Condensed Interim Statement of Changes in Equity (Un-audited)

For the Quarter ended 31 March 2022

|  | Capital reserves     |                             |                    | Revenue reserves      | Total                |                      |
|--|----------------------|-----------------------------|--------------------|-----------------------|----------------------|----------------------|
|  | Share capital        | Discount on issue of shares | Statutory reserve  | Unappropriated profit |                      |                      |
| ----- Rupees -----   |                      |                             |                    |                       |                      |                      |
| <b>Balance as at 31 December 2020</b>                            | <b>6,348,887,110</b> | <b>(4,089,040,293)</b>      | <b>868,881,433</b> | <b>266,156,280</b>    | <b>1,848,106,312</b> | <b>5,242,990,842</b> |
| Loss for the year  | -                    | -                           | -                  | -                     | (1,522,523,315)      | (1,522,523,315)      |
| <i>Other comprehensive income</i>                                |                      |                             |                    |                       |                      |                      |
| Remeasurement of post defined benefit obligation - net of tax    | -                    | -                           | -                  | -                     | 8,739,115            | 8,739,115            |
| Total comprehensive income for the year                          | -                    | -                           | -                  | -                     | (1,513,784,200)      | (1,513,784,200)      |
| Transfer to statutory reserve                                    | -                    | -                           | -                  | -                     | -                    | -                    |
| Transfer to depositors' protection fund                          | -                    | -                           | -                  | -                     | -                    | -                    |
| Return on depositors' protection fund's investments - net of tax | -                    | -                           | -                  | 20,292,247            | -                    | 20,292,247           |
| <b>Balance as at 31 December 2021</b>                            | <b>6,348,887,110</b> | <b>(4,089,040,293)</b>      | <b>868,881,433</b> | <b>286,448,527</b>    | <b>334,322,112</b>   | <b>3,749,498,889</b> |
| Profit for the period  | -                    | -                           | -                  | -                     | 261,082,730          | 261,082,730          |
| <i>Other comprehensive income</i>                                |                      |                             |                    |                       |                      |                      |
| Remeasurement of post defined benefit obligation - net of tax    | -                    | -                           | -                  | -                     | -                    | -                    |
| Total comprehensive loss for the period                          | -                    | -                           | -                  | -                     | 261,082,730          | 261,082,730          |
| Transfer to statutory reserve                                    | -                    | -                           | -                  | -                     | -                    | -                    |
| Transfer to depositors' protection fund                          | -                    | -                           | -                  | -                     | -                    | -                    |
| Return on depositors' protection fund's investments - net of tax | -                    | -                           | -                  | 4,088,580             | -                    | 4,088,580            |
| <b>Balance as at 31 March 2022</b>                               | <b>6,348,887,110</b> | <b>(4,089,040,293)</b>      | <b>868,881,433</b> | <b>290,537,107</b>    | <b>595,404,842</b>   | <b>4,014,670,199</b> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Chief Executive Officer

Chairperson

Director

FINCA MICROFINANCE BANK LIMITED  
Condensed Interim Cash Flow Statement (Un-audited)  
For the Quarter ended 31 March 2022

|  | 31 March 2022<br>Rupees | 31 March 2021<br>Rupees |
|--|-------------------------|-------------------------|
| <b><u>Cash flows from operating activities</u></b>   |                         |                         |
| Loss before taxation   | 360,811,219             | (12,913,563)            |
| <i>Adjustments for non-cash charges:</i>   |                         |                         |
| Depreciation on operating fixed asset  | 48,381,202              | 55,677,299              |
| Depreciation on right of use assets  | 60,527,032              | 59,950,060              |
| Amortization on intangible assets  | 16,436,247              | 17,066,814              |
| Notional interest on lease liability   | 29,290,128              | 39,797,595              |
| Provision against non-performing advances  | (173,514,560)           | 501,440,393             |
| Net gain on disposal of operating fixed assets   | -                       | (6,014,141)             |
| Amortization of discount on government securities  | (240,422,910)           | (132,460,389)           |
| Gain on disposal of government securities  | 5,625,421               | 112,800                 |
| Provision for gratuity   | 21,759,045              | 21,000,000              |
|  | <b>(231,918,395)</b>    | 556,570,431             |
|  | <b>128,892,824</b>      | 543,656,868             |
| <i>(Increase) / decrease in operating assets:</i>  |                         |                         |
| Net investments in held for trading securities   | (324,758,709)           | -                       |
| Advances   | (224,701,692)           | (267,757,822)           |
| Others assets  | (33,712,771)            | (103,419,488)           |
|  | <b>(583,173,172)</b>    | (371,177,310)           |
| <i>Increase / (decrease) in operating liabilities:</i>                                     |                         |                         |
| Bills payable  | (27,645,162)            | (191,725)               |
| Borrowings from financial institutions   | (184,375,000)           | (74,500,000)            |
| Deposits   | 980,329,400             | (120,328,519)           |
| Other liabilities (excluding withholding tax, dividend payable and provision for gratuity) | 138,509,958             | (15,158,839)            |
|  | <b>906,819,196</b>      | (210,179,083)           |
|  | <b>452,538,848</b>      | (37,699,525)            |
| Gratuity paid  | (7,374,785)             | (8,914,082)             |
| Income tax paid  | (120,066,064)           | (40,726,586)            |
| <b>Net cash generated from / (used in) operating activities</b>                            | <b>325,097,999</b>      | <b>(87,340,193)</b>     |
| <b><u>Cash flows from investing activities</u></b>   |                         |                         |
| Net investments in available for sale securities   | (424,674,650)           | (772,100,211)           |
| Interest income on depositors protection fund  | -                       | 4,710,011               |
| Investments in operating fixed assets  | (13,279,825)            | 52,396                  |
| Sale proceeds of property and equipment disposed-off                                       | 196,000                 | 12,309,129              |
| <b>Net cash generated from / (used in) investing activities</b>                            | <b>(437,758,475)</b>    | <b>(755,028,675)</b>    |
| <b><u>Cash flows from financing activities</u></b>   |                         |                         |
| Payment of lease liabilities   | 9,036,644               | (72,146,330)            |
| Grant received   | -                       | -                       |
| Payment of dividends   | -                       | -                       |
| <b>Net cash used in financing activities</b>   | <b>9,036,644</b>        | <b>(72,146,330)</b>     |
| <b>Decrease in cash and cash equivalents</b>   | <b>(103,623,832)</b>    | <b>(914,515,198)</b>    |
| <b>Cash and cash equivalents at beginning of the period</b>                                | <b>1,981,184,238</b>    | <b>4,421,178,460</b>    |
| <b>Cash and cash equivalents at end of the period</b>                                      | <b>1,877,560,406</b>    | <b>3,506,663,262</b>    |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements

Chief Executive Officer

Chairperson

Director

## FINCA MICROFINANCE BANK LIMITED

Notes to the condensed interim financial statements (Un-audited)

For the Quarter ended 31 March 2022

### 1. Status and nature of business

- 1.1 FINCA Microfinance Bank Limited, (the Bank) was incorporated on June 26, 2008 as a public limited company under the Companies Ordinance, 1984. The Bank received the license to operate the company for banking business from the State Bank of Pakistan (SBP) on August 12, 2008 under the provisions of Microfinance Institutions Ordinance, 2001 and certificate of commencement of business on September 4, 2008 from Securities and Exchange Commission of Pakistan. On October 27, 2008 the Bank received the certificate of commencement of business from SBP.

The Bank's principal business is to provide microfinance services to the poor and under-served segments of the society as envisaged under the Microfinance Institutions Ordinance, 2001. The registered office of the Bank is situated at 36-B XX Block, Khayaban-e-Iqbal, DHA Phase 3, Lahore Pakistan. Subsequent to takeover by FINCA International the Bank has changed its name from Kashf Microfinance Bank Limited to FINCA Microfinance Bank Limited during the year with effect from November 25, 2013.

The Bank is licensed to operate nationwide. As at 31 March 2021, the Bank has 130 branches (2021: 130 branches) operating in the provinces of Punjab, Khyber Pakhtunkhwa, Sindh, Gilgit Baltistan and Azad Jammu and Kashmir.

- 1.2 The holding company of the Bank is FINCA Microfinance Cooperatief U.A.,(a cooperative with exclusion of liability incorporated in the Netherland) The ultimate holding company of the Bank is FINCA International, Inc, a not-for-profit corporation incorporated in the Washington DC, USA.

### 2. Basis of presentation

These financial statements have been presented in accordance with the requirements of SBP Banking Supervision Department (BSD) Circular number 11 dated December 30, 2003.

### 3. Statement of compliance

- 3.1 These financial statements have been prepared in accordance with the directives issued by the State Bank of Pakistan (SBP) and Securities and Exchange Commission of Pakistan (SECP), the requirements of the Microfinance Institution Ordinance, 2001 (the MFI Ordinance), the provisions of and directives issued under the Companies Act, 2017, and the accounting standards (IFRSs) issued by the International Accounting Standards Board (IASB) and interpretations issued by International Financial Reporting Interpretation Committee, of the IASB as adopted in Pakistan.

Where the requirements of the Companies Act, 2017, the MFI Ordinance and the directives issued by the SBP and SECP differ with the requirements of IFRSs, the requirements of the Companies Act, 2017, the MFI Ordinance, or the requirements of the said directives shall prevail.

SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated 26 August 2002. Further, SECP has deferred applicability of IFRS 7 "Financial Instruments: Disclosures" through its notification S.R.O 633(1) / 2014 dated 10 July 2014. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by SBP through various circulars / regulations.

### 4. Basis of measurement

- 4.1 These Interim Condensed financial statements have been prepared under the historical cost convention except certain investments which are measured at fair value and amortised cost.

- 4.2 These Interim Condensed financial statements have been presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

### 5. Summary of significant accounting policies

The accounting policies and the method of computation adopted in preparation of this condensed interim financial report are the same as those applied in the preparation of the annual financial statements for the year ended 31 December 2021.

|  | Note | (Un-Audited)         | (Audited)            |
|--|------|----------------------|----------------------|
|  |      | 31 March 2022        | 31 December 2021     |
|  |      | Rupees               | Rupees               |
| <b>6. Cash and balances with SBP and NBP</b>       |      |                      |                      |
| Cash in hand                                       |      | 398,956,847          | 395,334,434          |
| Balance with State Bank of Pakistan                | 6.1  | 1,204,045,336        | 1,123,669,630        |
| <i>Balance with National Bank of Pakistan in :</i> |      |                      |                      |
| Saving account                                     | 6.1  | 499,530              | 3,915,685            |
| Current account                                    | 6.1  | 120,216,224          | 179,665,940          |
|  |      | <u>1,723,717,937</u> | <u>1,702,585,689</u> |

6.1 This represents the balance maintained with SBP and NBP to meet the minimum balance requirement equivalent to 5% as cash reserve and 10% as liquidity reserve of the Bank's time and demand liabilities in accordance with the Prudential Regulations. This also includes Rs. 290.54 million (2021: Rs. 286.45 million) maintained with SBP under depositors' protection fund. Saving account carries markup ranging from 5.50% to 8.25% (2021: 5.50% to 7.25%).

|  | Note | (Un-Audited)       | (Audited)          |
|--|------|--------------------|--------------------|
|  |      | 31 March 2022      | 31 December 2021   |
|  |      | Rupees             | Rupees             |
| <b>7. Balances with other banks/NBFIs/MFBs</b> |      |                    |                    |
| <i>In Pakistan:</i>                            |      |                    |                    |
| Saving accounts                                | 7.1  | 15,118,599         | 132,134,051        |
| Deposit accounts                               | 7.2  | -                  | -                  |
| Current accounts                               |      | 138,723,870        | 146,464,498        |
|  |      | <u>153,842,469</u> | <u>278,598,549</u> |

7.1 These accounts carry mark-up ranging from 5.50% to 8.75% (2021: 5.50% to 7.40%) per annum.

|  | Note | (Un-Audited)          | (Audited)             |
|--|------|-----------------------|-----------------------|
|  |      | 31 March 2022         | 31 December 2021      |
|  |      | Rupees                | Rupees                |
| <b>8. Investments-net of provisions</b>    |      |                       |                       |
| <i>Federal Govt. Securities:</i>           |      |                       |                       |
| Market treasury bills (Available for sale) | 8.1  | 10,542,975,100        | 9,879,609,700         |
| Market treasury bills (Held for trading)   | 8.1  | 351,149,778           | 350,387,780           |
|  |      | <u>10,894,124,878</u> | <u>10,229,997,480</u> |

8.1 These carry yield rate ranging between 9.88% to 11.45% (2021: 6.39% to 11.40%) per annum and have maturity upto 24 march 2023. These securities have an aggregate face value of Rs. 11,208.5 million (2021: Rs. 10,370 million)

|  | Note      | 31 March 2022 |                       | 31 December 2021 |                       |
|--|-----------|---------------|-----------------------|------------------|-----------------------|
|  |           | (Un-Audited)  |                       | (Audited)        |                       |
|  |           | Number        | Rupees                | Number           | Rupees                |
| <b>9. Advances - net of provisions</b> |           |               |                       |                  |                       |
| Micro credit advances                  | 9.1       | 181,360       | 19,634,592,036        | 200,967          | 19,615,335,012        |
| Other advances                         | 9.2       | 1,051         | 95,065,901            | 1,127            | 80,394,421            |
|  |           |               | 19,729,657,937        |                  | 19,695,729,433        |
| Less: Provisions held:                 |           |               |                       |                  |                       |
| Specific                               | 9.3 & 9.4 | 21,320        | 209,181,995           | 46,140           | 720,172,279           |
| General                                | 9.4 & 9.5 |               | 295,065,802           |                  | 148,363,266           |
|  |           |               | 504,247,797           |                  | 868,535,545           |
|  |           |               | <u>19,225,410,140</u> |                  | <u>18,827,193,888</u> |

9.1 This includes fully secured advances amounting to Rs. 4,751.14 million (2021: Rs. 4,139.23 million) whereas the remaining advances are secured by personal guarantees.

9.2 These advances are staff loans and carry markup rate between 5% to 10% per annum (2021: 5% to 10%).

### 9.3 Particulars of non-performing advances

The total advances of Rs. 1,456.51 million (2021: Rs. 2,922.15 million) placed under non-performing status includes Rs 54.80 million (2021: Rs 55.30 million) advances, secured against gold:

|              | 31 March 2022 (Un-Audited) |                              |             |                              |                          |
|--------------|----------------------------|------------------------------|-------------|------------------------------|--------------------------|
|              | Number                     | Amount outstanding<br>Rupees | %           | Provision required<br>Rupees | Provision held<br>Rupees |
|              | OAEM                       | 16,116                       | 997,290,288 | 10                           | 97,075,428               |
| Sub-standard | 5,052                      | 443,365,393                  | 25          | 109,714,504                  | 109,714,504              |
| Doubtful     | 134                        | 13,555,157                   | 50          | 90,900                       | 90,900                   |
| Loss         | 18                         | 2,301,163                    | 100         | 2,301,163                    | 2,301,163                |
| <b>Total</b> | <b>21,320</b>              | <b>1,456,512,001</b>         |             | <b>209,181,995</b>           | <b>209,181,995</b>       |

|              | 31 December 2021 (Audited) |                              |               |                              |                          |
|--------------|----------------------------|------------------------------|---------------|------------------------------|--------------------------|
|              | Number                     | Amount outstanding<br>Rupees | %             | Provision required<br>Rupees | Provision held<br>Rupees |
|              | OAEM                       | 14,450                       | 1,164,616,182 | 0                            | -                        |
| Sub-standard | 9,716                      | 644,220,001                  | 25            | 156,440,940                  | 156,440,940              |
| Doubtful     | 21,388                     | 1,082,189,547                | 50            | 532,608,423                  | 532,608,423              |
| Loss         | 586                        | 31,122,916                   | 100           | 31,122,916                   | 31,122,916               |
| <b>Total</b> | <b>46,140</b>              | <b>2,922,148,646</b>         |               | <b>720,172,279</b>           | <b>720,172,279</b>       |

9.4 This represents general provision equivalent to 1% (2020: 1%) of the outstanding advances net of specific provisions and those against which gold collaterals are taken. An additional general provision of Rs. 150 m is made to cover future provision requirements.

#### 9.5 Particulars of non-performing advances

Movement of provision against non-performing advances is as under:

| Note                | 31 March 2022 (Un-Audited) |                   |                 | 31 December 2021 (Audited) |                   |                 |
|---------------------|----------------------------|-------------------|-----------------|----------------------------|-------------------|-----------------|
|                     | Specific<br>Rupees         | General<br>Rupees | Total<br>Rupees | Specific<br>Rupees         | General<br>Rupees | Total<br>Rupees |
| Opening balance     | 720,172,279                | 148,363,266       | 868,535,545     | 115,534,548                | 188,866,507       | 304,401,055     |
| Charge for the year | (320,217,100)              | 146,702,536       | (173,514,564)   | 2,210,729,731              | (40,503,241)      | 2,170,226,490   |
| Amounts written off | (190,773,184)              | -                 | (190,773,184)   | (1,606,092,000)            | -                 | (1,606,092,000) |
|                     | (510,990,284)              | 146,702,536       | (364,287,748)   | 604,637,731                | (40,503,241)      | 564,134,490     |
| Closing balance     | 209,181,995                | 295,065,802       | 504,247,797     | 720,172,279                | 148,363,266       | 868,535,545     |

#### 9.5.1 Particulars of write offs

|   | (Un-Audited)<br>31 March 2022<br>Rupees | (Audited)<br>31 December 2021<br>Rupees |
|---|---|---|
| Against provisions                          | 190,773,184                             | 1,606,092,000                           |
| Directly charged to profit and loss account | 6,700,737                               | 22,531,552                              |
|   | 197,473,921                             | 1,628,623,552                           |

#### 10. Deposits and other accounts

| Note             | 31 March 2022 (Un-Audited) |               | 31 December 2021 (Audited) |               |                |
|------------------|----------------------------|---------------|----------------------------|---------------|----------------|
|                  | Number of<br>accounts      | Amount Rupees | Number of accounts         | Amount Rupees |                |
| Fixed deposits   | 11.1                       | 8,157         | 14,120,529,732             | 9,220         | 13,707,049,478 |
| Saving deposits  | 11.1                       | 124,061       | 9,598,388,278              | 123,712       | 9,024,669,682  |
| Current deposits |                            | 1,609,044     | 2,680,538,836              | 1,575,558     | 2,687,408,286  |
|                  |                            | 1,741,262     | 26,399,456,846             | 1,708,490     | 25,419,127,446 |



10.1 These represent fixed deposits having tenure of 1 to 60 months carrying profit rates ranging from 7.30% to 14.00% (2021: 7.25% to 14.00%) per annum. The saving deposits represent accounts carrying interest rates ranging from 6.50% to 9.50% (2021: 6.50% to 9.50%) per annum.

|   | <b>31 March 2022 (Un-Audited)</b> |                       | 31 December 2021 (Audited) |                       |
|---|-----------------------------------|-----------------------|----------------------------|-----------------------|
|   | <b>Number of accounts</b>         | <b>Amount Rupees</b>  | Number of accounts         | Amount Rupees         |
| <b>10.2 Particulars of deposits by ownership</b>      |                                   |                       |                            |                       |
| 1) Individual depositors                              | 1,740,404                         | 20,217,579,966        | 1,707,645                  | 20,415,984,736        |
| 2) Institutional depositors                           |                                   |                       |                            |                       |
| a) Corporations, firms and other such entities        | 795                               | 3,862,173,645         | 780                        | 3,766,187,373         |
| b) Banks and financial institutions                   | 63                                | 1,882,678,915         | 65                         | 1,236,955,337         |
|   | <u>1,741,262</u>                  | <u>25,962,432,526</u> | <u>1,708,490</u>           | <u>25,419,127,446</u> |
|   |                                   |                       | (Un-Audited)               | (Audited)             |
|   |                                   |                       | <b>31 March 2022</b>       | 31 December 2021      |
|   |                                   |                       | <b>Rupees</b>              | <b>Rupees</b>         |
| <b>11. Borrowings</b>                                 |                                   |                       |                            |                       |
| Running Finance - Allied Bank Limited                 |                                   |                       | 148,000,105                | 248,000,105           |
| Running Finance - National Bank of Pakistan           |                                   |                       | 499,003,780                | 499,003,780           |
| Term Finance - Allied Bank Limited                    |                                   |                       | 375,000,000                | 437,500,000           |
| Term Finance - National Bank of Pakistan              |                                   |                       | 175,000,000                | 196,875,000           |
| SBP Loan under FIIP                                   |                                   |                       | 3,000,000,000              | 3,000,000,000         |
|   |                                   |                       | <u>4,197,003,885</u>       | <u>4,381,378,885</u>  |
|   |                                   |                       | (Un-Audited)               | (Audited)             |
|   |                                   |                       | <b>31 March 2022</b>       | 31 March 2021         |
|   |                                   |                       | <b>Rupees</b>              | <b>Rupees</b>         |
| <b>12. Mark-up / return / interest earned</b>         |                                   |                       |                            |                       |
| Interest / mark-up on advances                        |                                   |                       | 1,363,806,285              | 1,662,976,745         |
| Markup earned on investments in government securities |                                   |                       | 240,422,910                | 132,460,389           |
| Interest / mark-up on bank accounts                   |                                   |                       | 747,174                    | 25,543,193            |
|   |                                   |                       | <u>1,604,976,369</u>       | <u>1,820,980,327</u>  |
| <b>13. Mark-up / return / interest expensed</b>       |                                   |                       |                            |                       |
| Deposits  |                                   |                       | 536,725,606                | 529,042,658           |
| Borrowings  |                                   |                       | 112,656,852                | 77,182,807            |
| Subordinated loan                                     |                                   |                       | 28,299,397                 | 21,077,479            |
| Notional interest on lease liability                  |                                   |                       | 29,290,128                 | 39,797,595            |
|   |                                   |                       | <u>706,971,983</u>         | <u>667,100,539</u>    |
| <b>14. Fee, commission and brokerage income</b>       |                                   |                       |                            |                       |
| Loan processing fee                                   |                                   |                       | 102,887,377                | 119,468,255           |
| Income on cheque book issuance                        |                                   |                       | 1,776,515                  | 1,696,104             |
| Over due charges                                      |                                   |                       | 17,592,826                 | 13,901,436            |
| Early settlement charges                              |                                   |                       | 13,937,501                 | 7,919,271             |
| Others  |                                   |                       | 7,736,719                  | 3,608,276             |
|   |                                   |                       | <u>143,930,938</u>         | <u>146,593,342</u>    |
| <b>15. General</b>                                    |                                   |                       |                            |                       |

- Figures have been rounded to the nearest Rupee.

- Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

- Where there are no amounts to be disclosed in the account captions as prescribed by BSD Circular No.11 dated December 30, 2003 issued by SBP in respect of forms of financial statements for Microfinance banks, these captions have not been reproduced in these financial statements, except for caption of balance sheet, profit and loss account.