

## 23. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Khushhali Bank					
	2001	2002	2003	2004	2005	2006
<b>ASSETS</b>						
Cash & Balances With Treasury Banks	107,265	205,671	665,518	673,401	487,180	318,972
Balances with Other Banks/NBFIs/MFBs	31,080	79,085	532,761	699,623	821,930	697,327
Lending to Financial Institutions	-	-	-	-	840,000	1,242,500
Investments - Net of Provisions	1,500,000	1,201,331	998,413	1,132,554	1,373,236	1,369,416
Advances - Net of Provisions	110,351	475,485	671,866	1,329,420	1,847,626	2,082,484
Operating Fixed Assets	87,022	97,203	102,037	180,981	219,293	199,677
Other Assets	31,846	147,231	246,738	466,262	536,705	889,760
Deferred Tax Assets	-	-	17,958	25,977	37,550	47,338
<b>TOTAL ASSETS</b>	<b>1,867,564</b>	<b>2,206,006</b>	<b>3,235,291</b>	<b>4,508,218</b>	<b>6,163,521</b>	<b>6,847,474</b>
<b>LIABILITIES</b>						
Borrowings	77,393	386,608	1,377,555	2,600,538	4,221,129	4,886,754
Other Liabilities	23,102	10,984	26,586	38,401	61,915	88,021
Deferred Grant	9,975	-	-	-	-	-
Deferred Tax Liabilities	146	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>110,616</b>	<b>397,592</b>	<b>1,404,141</b>	<b>2,638,939</b>	<b>4,283,043</b>	<b>4,974,775</b>
<b>NET ASSETS</b>	<b>1,756,948</b>	<b>1,808,414</b>	<b>1,831,150</b>	<b>1,869,279</b>	<b>1,880,477</b>	<b>1,872,699</b>
<b>REPRESENTED BY:</b>						
Share Capital	1,705,000	1,705,000	1,705,000	1,705,000	1,705,000	1,705,000
Statutory Reserves	10,556	10,556	15,023	15,023	17,498	22,162
Reserve for Contingencies	-	-	4,390	17,810	26,609	28,385
Unappropriated Profit	41,392	36,176	45,189	1,479	102	12,319
Surplus/(Deficit) on Revaluation of Assets	-	1,331	(936)	3,202	(10,834)	(16,331)
Deferred Grants	-	55,351	62,484	126,765	142,102	121,163
<b>TOTAL</b>	<b>1,756,948</b>	<b>1,808,414</b>	<b>1,831,150</b>	<b>1,869,279</b>	<b>1,880,477</b>	<b>1,872,699</b>
<b>OPERATING POSITION</b>						
Mark-Up/ Return/Interest Earned	183,891	147,773	166,682	217,712	476,610	684,871
Mark-Up/ Return/Interest Expenses	2,496	7,104	18,450	22,843	76,109	158,543
<b>Net Mark-Up / Interest Income</b>	<b>181,395</b>	<b>140,669</b>	<b>148,232</b>	<b>194,869</b>	<b>400,501</b>	<b>526,328</b>
Provisions & Bad Debts Written Off Directly	5,179	14,761	22,325	62,113	90,379	136,028
<b>Net Mark-Up / Interest Income After Provision</b>	<b>176,216</b>	<b>125,908</b>	<b>125,907</b>	<b>132,756</b>	<b>310,121</b>	<b>390,300</b>
Fees, Commission & Brokerage Income	-	-	-	-	-	-
Dividend Income	-	-	-	-	-	-
Other Income	2,354	28,719	128,122	155,080	222,387	268,601
<b>Total Non - Markup / Interest Income</b>	<b>2,354</b>	<b>28,719</b>	<b>128,122</b>	<b>155,080</b>	<b>222,387</b>	<b>268,601</b>
Administrative Expenses	94,905	166,366	228,347	327,038	506,202	626,216
Other Expenses	4,000	383	95	-	20	20
<b>Total Non-Markup/Interest Expenses</b>	<b>98,905</b>	<b>166,749</b>	<b>228,442</b>	<b>327,038</b>	<b>506,222</b>	<b>626,236</b>
Extra ordinary/unusual Items (to be specified)	-	-	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>79,665</b>	<b>(12,122)</b>	<b>25,587</b>	<b>(39,202)</b>	<b>26,286</b>	<b>32,665</b>
Taxation - Current	18,744	739	17,135	2,648	17,607	16,171
- Prior Years	-	(7,500)	3,422	-	-	-
- Deferred	146	(146)	(17,307)	(11,561)	(3,692)	(6,828)
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>60,775</b>	<b>(5,215)</b>	<b>22,337</b>	<b>(30,289)</b>	<b>12,371</b>	<b>23,322</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(35,797)</b>	<b>(462,765)</b>	<b>(267,526)</b>	<b>(881,050)</b>	<b>(1,506,057)</b>	<b>(980,218)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(97,388)</b>	<b>262,562</b>	<b>157,383</b>	<b>(260,466)</b>	<b>(373,174)</b>	<b>(64,377)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>69,549</b>	<b>346,613</b>	<b>1,023,667</b>	<b>1,316,261</b>	<b>1,815,317</b>	<b>751,784</b>
<b>Number of Employees</b>	<b>341</b>	<b>914</b>	<b>791</b>	<b>1,171</b>	<b>1,576</b>	<b>1,791</b>

## 23. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Network Microfinance Bank Ltd.		
	2004	2005	2006
<b>ASSETS</b>			
Cash & Balances With Treasury Banks	12	3,310	2,964
Balances With Other Banks	41,235	1,642	5,353
Short term placements	55,000	50,000	41,009
Advances and micro-lease-net	6,061	37,012	48,009
Operating Fixed Assets	-	15,147	14,543
Deferred cost	-	-	-
Other Assets	1,843	1,205	2,416
<b>TOTAL ASSETS</b>	<b>104,152</b>	<b>108,316</b>	<b>114,293</b>
<b>LIABILITIES</b>			
Deposits	-	10,634	3,727
Borrowings	-	10,929	29,702
Security deposits on micro lease	-	3,996	2,768
Due to associated undertaking	12,459	74	698
Other Liabilities	1,991	818	2,839
<b>TOTAL LIABILITIES</b>	<b>14,450</b>	<b>26,451</b>	<b>39,734</b>
<b>NET ASSETS</b>	<b>89,702</b>	<b>81,865</b>	<b>74,559</b>
<b>REPRESENTED BY:</b>			
Share Capital	100,000	100,000	100,000
Statutory Reserves	-	-	-
Unappropriated Profit/(Loss)	(10,298)	(18,135)	(25,441)
Surplus on Remeasurement of Investment	-	-	-
Revolving Fund for Micro credit	-	-	-
Deferred Grants	-	-	-
<b>TOTAL</b>	<b>89,702</b>	<b>81,865</b>	<b>74,559</b>
<b>OPERATING POSITION</b>			
Mark-Up/ Return/Interest Earned	1,039	10,487	17,116
Mark-Up/ Return/Interest Expenses	-	423	1,707
<b>Net Mark-Up / Interest Income</b>	<b>1,039</b>	<b>10,064</b>	<b>15,409</b>
Provisions & Bad Debts Written Off Directly	-	1,842	2,729
<b>Net Mark-Up / Interest Income After Provision</b>	<b>1,039</b>	<b>8,223</b>	<b>12,680</b>
Fees, Commission & Brokerage Income	-	-	-
Dividend Income	-	-	-
Other Income	-	106	5,191
<b>Total Non - Markup / Interest Income</b>	<b>-</b>	<b>106</b>	<b>5,191</b>
Administrative Expenses	11,331	16,087	24,912
Other Expenses	-	26	143
<b>Total Non-Markup/Interest Expenses</b>	<b>11,331</b>	<b>16,113</b>	<b>25,055</b>
Extra ordinary/unusual Items	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(10,292)</b>	<b>(7,784)</b>	<b>(7,185)</b>
Taxation - Current	5	53	121
- Prior Years	-	-	-
- Deferred	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(10,298)</b>	<b>(7,837)</b>	<b>(7,306)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(158)</b>	<b>(51,290)</b>	<b>(37,776)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(3,595)</b>	<b>(935)</b>	<b>13,377</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>100,000</b>	<b>10,929</b>	<b>18,773</b>
<b>Number of Employees</b>	<b>47</b>	<b>45</b>	<b>59</b>

(Contd.)

## 23. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Pak Oman Microfinance Bank Ltd.
	2006
<b>ASSETS</b>	
Cash & Balances with SBP and NBP	200
Balances with Other Banks	8,001
Lending to Financial Institutions	345,000
Advances - Net of Provisions	84,012
Operating Fixed Assets	24,992
Other Assets	24,755
Deferred Tax Assets	6,228
<b>TOTAL ASSETS</b>	<b>493,189</b>
<b>LIABILITIES</b>	
Deposits and Other Accounts	-
Borrowings	-
Other Liabilities	4,422
Deferred Tax Liability	-
<b>TOTAL LIABILITIES</b>	<b>4,422</b>
<b>NET ASSETS</b>	<b>488,766</b>
<b>REPRESENTED BY:</b>	
Share Capital	500,000
Statutory Reserves	-
Accumulated losses	(11,234)
Surplus on revaluation of assets	-
Deferred Grants	-
<b>TOTAL</b>	<b>488,766</b>
<b>OPERATING POSITION</b>	
Mark-Up/ Return/Interest Earned	35,760
Mark-Up/ Return/Interest Expenses	-
<b>Net Mark-Up / Interest Income</b>	<b>35,760</b>
Provisions & Bad Debts Written Off Directly	1,279
<b>Net Mark-Up / Interest Income After Provision</b>	<b>34,481</b>
Fees, Commission & Brokerage Income	-
Gain on sale of Investment	-
Other Income	6
<b>Total Non - Markup / Interest Income</b>	<b>6</b>
Administrative and Other Expenses	43,689
Other Expenses	8,080
<b>Total Non-Markup/Interest Expenses</b>	<b>51,769</b>
Extra ordinary/unusual Items	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(17,283)</b>
Taxation - Current	179
- Prior Years	-
- Deferred	6,228
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(11,234)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(464,197)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(27,601)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>500,000</b>
<b>Number of Employees</b>	<b>115</b>
<b>Number of Branches</b>	<b>10</b>

## 23. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	<b>Rozgar Microfinance Bank Ltd.</b>			
	2003	2004	2005	2006
<b>ASSETS</b>				
Cash & Balances With State Bank of Pakistan	10,153	-	1,082	2,563
Preliminary Expenses	1,168	-	-	-
Pre-operating Expenses	141	-	-	-
Balances With Other Banks	-	57,136	84,002	53,166
Investments-net	-	-	-	2,815
Advances-net	-	-	19,230	36,944
Operating Fixed Assets	74	417	7,226	10,367
Other assets	-	2,378	3,082	4,124
<b>TOTAL ASSETS</b>	<b>11,535</b>	<b>59,932</b>	<b>114,623</b>	<b>109,979</b>
<b>LIABILITIES</b>				
Deposits	-	-	17,887	17,788
Other Liabilities	1,382	3,182	794	2,886
<b>TOTAL LIABILITIES</b>	<b>1,382</b>	<b>3,182</b>	<b>18,681</b>	<b>20,674</b>
<b>NET ASSETS</b>	<b>10,153</b>	<b>56,750</b>	<b>95,942</b>	<b>89,305</b>
<b>REPRESENTED BY:</b>				
Share Capital	70	51,690	100,000	100,000
Advances against shares to be issued	10,083	5,060	-	-
Accumulated Loss	-	-	(4,058)	(12,011)
Deferred grant	-	-	-	1,316
<b>TOTAL</b>	<b>10,153</b>	<b>56,750</b>	<b>95,942</b>	<b>89,305</b>
<b>OPERATING POSITION</b>				
Mark-Up/ Return/Interest Earned	-	-	6,541	13,649
Mark-Up/ Return/Interest Expenses	-	-	5	597
<b>Net Mark-Up / Interest Income</b>	-	-	<b>6,535</b>	<b>13,052</b>
Provisions & Bad Debts Written Off Directly	-	-	392	3,885
<b>Net Mark-Up / Interest Income After Provision</b>	-	-	<b>6,143</b>	<b>9,167</b>
Fees, Commission & Brokerage Income	-	-	3	884
Dividend Income	-	-	-	-
Other Income	-	-	-	1,118
<b>Total Non - Markup / Interest Income</b>	-	-	<b>3</b>	<b>2,002</b>
Administrative Expenses	-	-	8,699	18,982
Other Expenses	-	-	-	71
<b>Total Non-Markup/Interest Expenses</b>	-	-	<b>8,699</b>	<b>19,053</b>
Extra ordinary/unusual Items	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	-	-	<b>(2,553)</b>	<b>(7,884)</b>
Taxation - Current	-	-	33	68
- Prior Years	-	-	-	-
- Deferred	-	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	-	-	<b>(2,585)</b>	<b>(7,952)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	-	<b>767</b>	<b>(7,424)</b>	<b>(23,862)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	-	<b>(381)</b>	<b>(7,878)</b>	<b>7,899</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>10,153</b>	<b>46,597</b>	<b>43,250</b>	<b>2,406</b>
<b>Number of Employees</b>	<b>8</b>	<b>10</b>	<b>53</b>	<b>69</b>

(Contd.)

## 23. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Tameer Microfinance Bank Ltd.	
	2005 <sup>1</sup>	2006
<b>ASSETS</b>		
Cash & Balances with SBP and NBP	1,558	45,956
Balances with Other Banks/NBFIs/MFBs	538,074	508,920
Lending to Financial Institutions	-	-
Investments - Net of Provisions	-	29,370
Advances - Net of Provisions	-	518,202
Operating Fixed Assets	44,591	78,536
Other Assets	34,207	50,582
Deferred Tax Assets	-	37,040
<b>TOTAL ASSETS</b>	<b>618,430</b>	<b>1,268,606</b>
<b>LIABILITIES</b>		
Deposits and Other Accounts	556	473,751
Borrowings	-	222,998
Other Liabilities	14,116	19,993
Deferred Tax Liability	-	-
<b>TOTAL LIABILITIES</b>	<b>14,672</b>	<b>716,742</b>
<b>NET ASSETS</b>	<b>603,758</b>	<b>551,864</b>
<b>REPRESENTED BY:</b>		
Share Capital	600,000	600,000
Statutory Reserves	-	-
Accumulated losses	(19,602)	(69,766)
Surplus on revaluation of assets	-	109
Deferred Grants	23,360	21,521
<b>TOTAL</b>	<b>603,758</b>	<b>551,864</b>
<b>OPERATING POSITION</b>		
Mark-Up/ Return/Interest Earned	14,941	88,988
Mark-Up/ Return/Interest Expenses	-	9,423
<b>Net Mark-Up / Interest Income</b>	<b>14,941</b>	<b>79,565</b>
Provisions & Bad Debts Written Off Directly	-	7,941
<b>Net Mark-Up / Interest Income After Provision</b>	<b>14,941</b>	<b>71,624</b>
Fees, Commission & Brokerage Income	-	15,020
Gain on sale of Investment	-	-
Other Income	-	7,742
<b>Total Non - Markup / Interest Income</b>	<b>-</b>	<b>22,762</b>
Administrative and Other Expenses	34,467	181,102
Other Expenses	-	25
<b>Total Non-Markup/Interest Expenses</b>	<b>34,467</b>	<b>181,127</b>
Extra ordinary/unusual Items	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(19,526)</b>	<b>(86,741)</b>
Taxation - Current	76	520
- Prior Years	-	-
- Deferred	-	37,097
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(19,602)</b>	<b>(50,164)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(45,429)</b>	<b>(135,761)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(36,979)</b>	<b>(78,536)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>622,040</b>	<b>223,541</b>
<b>Number of Employees</b>	<b>158</b>	<b>426</b>

<sup>1</sup> Operating position is from 5 September 2005 to 31 December 2005

## 23. Financial Position of Microfinance Banks

(Concl'd.)

(End Dec. : Thousand Rupees)

Financial Position	The First Microfinance Bank Ltd.				
	2002	2003	2004	2005	2006
<b>ASSETS</b>					
Cash & Balances With Treasury Banks	4,701	38,923	42,567	58,655	75,436
Balances with Other Banks/NBFIs/MFBs	29,505	113,161	163,870	783,113	669,019
Lending to Financial Institutions	-	-	600,000	-	47,731
Investments - Net of Provisions	759,489	907,050	100,891	193,315	75,353
Advances - Net of Provisions	17,609	64,116	207,226	353,726	674,215
Operating Fixed Assets	21,296	23,012	16,789	25,947	68,821
Other Assets	39,754	42,475	27,803	38,888	67,717
Deferred Tax Assets	-	-	5,662	7,000	1,898
<b>TOTAL ASSETS</b>	<b>872,354</b>	<b>1,188,737</b>	<b>1,164,809</b>	<b>1,460,644</b>	<b>1,680,189</b>
<b>LIABILITIES</b>					
Deposits and Other Accounts	-	392,048	468,974	650,719	924,575
Borrowings From Govt. of Pakistan	64,418	-	-	95,884	-
Short term Borrowing	15,000	25,000	-	-	-
Deferred Grant	4,863	-	-	-	-
Other Liabilities	49,600	12,788	12,379	19,775	35,333
Deferred Tax Liability	-	29,479	-	-	-
<b>TOTAL LIABILITIES</b>	<b>133,881</b>	<b>459,315</b>	<b>481,353</b>	<b>766,377</b>	<b>959,909</b>
<b>NET ASSETS</b>	<b>738,473</b>	<b>729,422</b>	<b>683,455</b>	<b>694,267</b>	<b>720,280</b>
<b>REPRESENTED BY:</b>					
Share Capital	660,001	660,001	660,001	660,001	660,001
Statutory Reserves	1,157	1,603	2,794	2,938	8,040
Unappropriated Profit	4,339	6,013	10,477	16,784	30,151
Surplus on Remeasurement of Investment	69,361	54,999	(65)	2	45
Revolving Fund for Micro credit	-	2,304	4,590	8,470	18,440
Deferred Grants	3,326	4,097	4,936	4,976	1,495
Depositors Protection fund	289	406	722	1,096	2,108
<b>TOTAL</b>	<b>738,473</b>	<b>729,422</b>	<b>683,455</b>	<b>694,267</b>	<b>720,280</b>
<b>OPERATING POSITION</b>					
Mark-Up/ Return/Interest Earned	46,518	67,720	66,964	117,067	205,757
Mark-Up/ Return/Interest Expenses	1,030	5,518	7,920	15,423	39,347
<b>Net Mark-Up / Interest Income</b>	<b>45,488</b>	<b>62,202</b>	<b>59,044</b>	<b>101,644</b>	<b>166,410</b>
Provisions & Bad Debts Written Off Directly	359	1,319	4,039	4,943	6,660
<b>Net Mark-Up / Interest Income After Provision</b>	<b>45,129</b>	<b>60,883</b>	<b>55,005</b>	<b>96,701</b>	<b>159,750</b>
Fees, Commission & Brokerage Income	-	269	1,879	2,599	11,444
Grant income-net of related expenses	-	-	-	9,652	2,700
Gain on sale of Investment	-	3,097	28,559	4,595	-
Other Income	3,152	2,622	5,462	928	676
<b>Total Non - Markup / Interest Income</b>	<b>3,152</b>	<b>5,988</b>	<b>35,900</b>	<b>17,774</b>	<b>14,820</b>
Administrative and Other Expenses	38,545	62,217	80,691	105,654	144,580
Other Expenses	-	-	80	76	-
<b>Total Non-Markup/Interest Expenses</b>	<b>38,545</b>	<b>62,217</b>	<b>80,771</b>	<b>105,730</b>	<b>144,580</b>
Extra ordinary/unusual Items	-	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>9,736</b>	<b>4,654</b>	<b>10,134</b>	<b>8,745</b>	<b>29,990</b>
Taxation - Current	3,950	2,422	4,182	6,100	5,200
- Prior Years	-	-	-	(864)	272
- Deferred	-	-	-	1,375	(5,078)
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>5,786</b>	<b>2,232</b>	<b>5,952</b>	<b>4,884</b>	<b>19,440</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>43,851</b>	<b>317,405</b>	<b>(87,501)</b>	<b>714,267</b>	<b>(184,711)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(688,802)</b>	<b>(201,832)</b>	<b>133,447</b>	<b>(97,013)</b>	<b>68,901</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>679,158</b>	<b>2,304</b>	<b>8,408</b>	<b>18,076</b>	<b>18,497</b>
<b>Number of Employees</b>	<b>96</b>	<b>173</b>	<b>205</b>	<b>258</b>	<b>527</b>