

## 21. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Khushali Bank Ltd				
	2001	2002	2003	2004	2005
<b>ASSETS</b>					
Cash & Balances With Treasury Banks	107,265	205,671	665,518	673,401	487,180
Balances with Other Banks/NBFIs/MFBs	31,080	79,085	532,761	699,623	821,930
Lending to Financial Institutions	-	-	-	-	840,000
Investments - Net of Provisions	1,500,000	1,201,331	998,413	1,132,554	1,373,236
Advances - Net of Provisions	110,351	475,485	671,866	1,329,420	1,847,626
Operating Fixed Assets	87,022	97,203	102,037	180,981	219,293
Other Assets	31,846	147,231	246,738	466,262	536,705
Deferred Tax Assets	-	-	17,958	25,977	37,550
<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>LIABILITIES</b>					
Borrowings	77,393	386,608	1,377,555	2,600,538	4,221,129
Other Liabilities	23,102	10,984	26,586	38,401	61,915
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>NET ASSETS</b>	<b>1,756,948</b>	<b>1,808,414</b>	<b>1,831,150</b>	<b>1,869,279</b>	<b>1,880,478</b>
<b>REPRESENTED BY:</b>					
Share Capital	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
Reserve for Contingencies	-	-	4,390	17,810	26,610
Unappropriated Profit	41,392	36,176	45,189	1,479	102
Surplus/(Deficit) on Revaluation of Assets	-	1,331	(936)	3,202	(10,834)
Deferred Grants	-	55,351	62,484	126,765	142,102
<b>TOTAL</b>	<b>1,756,948</b>	<b>1,808,414</b>	<b>1,831,150</b>	<b>1,869,279</b>	<b>1,880,478</b>
<b>OPERATING POSITION</b>					
Mark-Up/ Return/Interest Earned	183,891	147,773	166,682	217,712	476,610
Mark-Up/ Return/Interest Expenses	2,496	7,104	18,450	22,843	76,109
<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>
Provisions & Bad Debts Written Off Directly	5,179	14,761	22,325	62,113	90,379
<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>
Fees, Commission & Brokerage Income	-	-	-	-	-
Dividend Income	-	-	-	-	-
Other Income	2,354	28,719	128,122	155,080	222,387
<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>
Administrative Expenses	94,905	166,366	228,347	327,038	506,202
Other Expenses	4,000	383	95	-	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>
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>
Taxation - Current	18,744	739	17,135	2,648	17,607
- Prior Years	-	(7,500)	3,422	-	-
- Deferred	146	(146)	(17,307)	(11,561)	(3,692)
<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>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>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>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>Number of Employees</b>	<b>341</b>	<b>914</b>	<b>791</b>	<b>1,171</b>	<b>1,576</b>

## 21. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Khushali Bank Ltd				
	2006	2007	2008	2009	2010
<b>ASSETS</b>					
Cash & Balances With Treasury Banks	318,972	305,294	87,610	79,180	163,112
Balances with Other Banks/NBFIs/MFBs	697,327	219,515	923,176	485,844	581,414
Lending to Financial Institutions	1,242,500	1,119,500	600,000	399,459	811,922
Investments - Net of Provisions	1,369,416	1,190,701	1,211,855	976,274	1,252,790
Advances - Net of Provisions	2,082,484	2,596,522	3,012,937	3,555,947	3,621,410
Operating Fixed Assets	199,677	158,711	157,587	185,678	168,719
Other Assets	889,760	1,113,038	692,577	905,397	639,305
Deferred Tax Assets	47,338	-	-	-	-
<b>TOTAL ASSETS</b>	<b>6,847,474</b>	<b>6,703,280</b>	<b>6,685,742</b>	<b>6,587,779</b>	<b>7,238,672</b>
<b>LIABILITIES</b>					
Deposits and other accounts	-	-	18,169	190,033	1,000,329
Borrowings	4,886,754	4,718,927	4,628,463	4,158,661	3,862,295
Other Liabilities	88,021	109,095	134,017	162,165	156,765
Deferred Grant	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>4,974,775</b>	<b>4,828,022</b>	<b>4,780,649</b>	<b>4,510,859</b>	<b>5,019,389</b>
<b>NET ASSETS</b>	<b>1,872,699</b>	<b>1,875,258</b>	<b>1,905,093</b>	<b>2,076,920</b>	<b>2,219,283</b>
<b>REPRESENTED BY:</b>					
Share Capital	1,705,000	1,705,000	1,705,000	1,705,000	1,705,000
Statutory Reserves	22,162	40,091	60,643	109,771	144,604
Capital reserve	-	-	24,255	24,255	24,255
Reserve for Contingencies	28,385	28,385	28,385	28,385	28,385
Un-appropriated Profit	12,319	66,106	61,658	209,042	313,538
Surplus/(Deficit) on Revaluation of Assets	(16,331)	(27,139)	(8,719)	(15,452)	(8,705)
Deferred Grants	121,163	62,815	33,872	15,919	12,206
<b>TOTAL</b>	<b>1,872,699</b>	<b>1,875,258</b>	<b>1,905,094</b>	<b>2,076,920</b>	<b>2,219,283</b>
<b>OPERATING POSITION</b>					
Mark-Up/ Return/Interest Earned	684,871	718,993	840,094	1,082,725	1,221,037
Mark-Up/ Return/Interest Expenses	158,543	181,033	259,550	256,875	260,551
<b>Net Mark-Up / Interest Income</b>	<b>526,328</b>	<b>537,961</b>	<b>580,544</b>	<b>825,850</b>	<b>960,486</b>
Provisions & Bad Debts Written Off Directly	136,028	64,265	175,208	96,241	113,065
<b>Net Mark-Up / Interest Income After Provision</b>	<b>390,300</b>	<b>473,695</b>	<b>405,336</b>	<b>729,609</b>	<b>847,421</b>
Fees, Commission & Brokerage Income	-	49,792	124,066	190,178	176,726
Dividend Income	-	-	-	-	-
Other Income	268,601	397,923	439,578	316,549	192,211
<b>Total Non - Markup / Interest Income</b>	<b>268,601</b>	<b>447,715</b>	<b>563,644</b>	<b>506,727</b>	<b>368,937</b>
Administrative Expenses	626,216	752,725	902,804	984,194	1,024,434
Other provision/write offs	-	-	5,264	-	3,786
Other Expenses	20	12,378	-	137	-
<b>Total Non-Markup/Interest Expenses</b>	<b>626,236</b>	<b>765,103</b>	<b>908,068</b>	<b>984,331</b>	<b>1,028,220</b>
Extra ordinary/unusual Items (to be specified)	-	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>32,665</b>	<b>156,306</b>	<b>60,912</b>	<b>252,005</b>	<b>188,138</b>
Taxation - Current	16,171	27,273	-	6,365	13,978
- Prior Years	-	-	-	-	-
- Deferred	(6,828)	39,389	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>23,322</b>	<b>89,644</b>	<b>60,912</b>	<b>245,640</b>	<b>174,160</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(973,901)</b>	<b>(623,042)</b>	<b>144,132</b>	<b>(749,575)</b>	<b>785,742</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(70,694)</b>	<b>120,300</b>	<b>25,794</b>	<b>145,543</b>	<b>(316,806)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>751,784</b>	<b>11,252</b>	<b>(160,282)</b>	<b>(441,731)</b>	<b>(289,433)</b>
<b>Number of Employees</b>	<b>1,791</b>	<b>1,865</b>	<b>2,008</b>	<b>2,002</b>	<b>2,163</b>

(Contd.)

## 21. Financial Position of Microfinance Banks

( End Dec. : Thousand Rupees)

Financial Position	Network Microfinance Bank Ltd.			
	2004	2005	2006	2007
<b>ASSETS</b>				
Cash & Balances With Treasury Banks	12	3,310	2,964	4,849
Balances With Other Banks	41,235	1,642	5,353	119,977
Investment-net of provisions	55,000	50,000	41,009	10,420
Advances-net of provisions	6,061	37,012	48,009	41,962
Operating Fixed Assets	-	15,147	14,543	18,955
Other Assets	1,843	1,205	2,416	6,171
Deferred Tax Assets	-	-	-	-
<b>TOTAL ASSETS</b>	<b>104,152</b>	<b>108,316</b>	<b>114,293</b>	<b>202,335</b>
<b>LIABILITIES</b>				
Deposits and Other Accounts	-	10,634	3,727	83,338
Borrowings	-	10,929	29,702	9,386
Other Liabilities	1,991	818	2,839	5,326
Security deposits on micro lease	-	3,996	2,768	-
Due to associated undertaking	12,459	74	698	-
<b>TOTAL LIABILITIES</b>	<b>14,450</b>	<b>26,451</b>	<b>39,734</b>	<b>98,050</b>
<b>NET ASSETS</b>	<b>89,702</b>	<b>81,865</b>	<b>74,559</b>	<b>104,284</b>
<b>REPRESENTED BY:</b>				
Share Capital	100,000	100,000	100,000	100,000
Statutory & General Reserves	-	-	-	-
Unappropriated Profit/(Loss)	(10,298)	(18,135)	(25,441)	(45,716)
Advances against Future Issue of Shares	-	-	-	50,000
Surplus/(Deficit) on Revaluation of Assets	-	-	-	-
Deferred Grants	-	-	-	-
<b>TOTAL</b>	<b>89,702</b>	<b>81,865</b>	<b>74,559</b>	<b>104,284</b>
<b>OPERATING POSITION</b>				
Mark-Up/ Return/Interest Earned	1,039	10,487	17,116	16,861
Mark-Up/ Return/Interest Expenses	-	423	1,707	1,320
<b>Net Mark-Up / Interest Income</b>	<b>1,039</b>	<b>10,064</b>	<b>15,409</b>	<b>15,541</b>
Provisions & Bad Debts Written Off Directly	-	1,842	2,729	1,018
<b>Net Mark-Up / Interest Income after Provision</b>	<b>1,039</b>	<b>8,223</b>	<b>12,680</b>	<b>14,523</b>
Fees, Commission & Brokerage Income	-	-	-	177
Dividend Income	-	-	-	-
Other Income	-	106	5,191	190
<b>Total Non - Markup / Interest Income</b>	<b>-</b>	<b>106</b>	<b>5,191</b>	<b>367</b>
Administrative Expenses	11,331	16,087	24,912	35,081
Other Expenses	-	26	143	-
<b>Total Non-Markup/Interest Expenses</b>	<b>11,331</b>	<b>16,113</b>	<b>25,055</b>	<b>35,081</b>
Extra ordinary/unusual Items	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(10,292)</b>	<b>(7,784)</b>	<b>(7,185)</b>	<b>(20,191)</b>
Taxation - Current	5	53	121	84
- Prior Years	-	-	-	-
- Deferred	-	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(10,298)</b>	<b>(7,837)</b>	<b>(7,306)</b>	<b>(20,275)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(158)</b>	<b>(51,290)</b>	<b>(37,776)</b>	<b>45,184</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(3,595)</b>	<b>(935)</b>	<b>13,377</b>	<b>(19,684)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>100,000</b>	<b>10,929</b>	<b>18,773</b>	<b>50,000</b>
<b>Number of Employees</b>	<b>47</b>	<b>45</b>	<b>59</b>	<b>54</b>

## 21. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Network Microfinance Bank Ltd.		
	2008	2009	2010
<b>ASSETS</b>			
Cash & Balances With Treasury Banks	8,151	12809	2,771
Balances With Other Banks	89,264	106120	10,021
Investment-net of provisions	9,827	119819	175,785
Advances-net of provisions	62,891	87892	49,401
Operating Fixed Assets	17,524	16273	10,264
Other Assets	5,461	8497	3,617
Deferred Tax Assets	-	-	-
<b>TOTAL ASSETS</b>	<b>193,118</b>	<b>351,410</b>	<b>251,859</b>
<b>LIABILITIES</b>			
Deposits and Other Accounts	101,255	110906	29,027
Borrowings	-	-	-
Other Liabilities	3,513	1917	2,708
Security deposits on micro lease	-	-	-
Due to associated undertaking	-	-	-
<b>TOTAL LIABILITIES</b>	<b>104,769</b>	<b>112,823</b>	<b>31,735</b>
<b>NET ASSETS</b>	<b>88,350</b>	<b>238,587</b>	<b>220,124</b>
<b>REPRESENTED BY:</b>			
Share Capital	150,000	300000	300,000
Statutory & General Reserves	-	50	50
Un appropriated Profit/(Loss)	(61,650)	(61,461)	(79,926)
Advances against Future Issue of Shares	-	-	-
Surplus/(Deficit) on Revaluation of Assets	-	-	-
Deferred Grants	-	-	-
<b>TOTAL</b>	<b>88,350</b>	<b>238,587</b>	<b>220,124</b>
<b>OPERATING POSITION</b>			
Mark-Up/ Return/Interest Earned	29,823	49855	48,871
Mark-Up/ Return/Interest Expenses	4,484	4410	3,563
<b>Net Mark-Up / Interest Income</b>	<b>25,339</b>	<b>45,445</b>	<b>45,307</b>
Provisions & Bad Debts Written Off Directly	5,163	2980	19,246
<b>Net Mark-Up / Interest Income after Provision</b>	<b>20,176</b>	<b>42,465</b>	<b>26,062</b>
Fees, Commission & Brokerage Income	1,072	1821	741
Recovery against written off advances	-	1016	2,060
Dividend Income	-	-	-
Other Income	1,070	356	3,665
<b>Total Non - Markup / Interest Income</b>	<b>2,142</b>	<b>3,193</b>	<b>6,466</b>
Administrative Expenses	38,289	45138	50,497
Other Expenses	-	10	-
<b>Total Non-Markup/Interest Expenses</b>	<b>38,289</b>	<b>45,148</b>	<b>50,497</b>
Extra ordinary/unusual Items	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(15,971)</b>	<b>510</b>	<b>(17,968)</b>
Taxation - Current	-	-	-
- Prior Years	(36)	260	495
- Deferred	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(15,934)</b>	<b>250</b>	<b>(18,463)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(23,996)</b>	<b>(14,229)</b>	<b>(54,135)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(3,416)</b>	<b>(114,256)</b>	<b>(52,003)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>-</b>	<b>150,000</b>	<b>-</b>
<b>Number of Employees</b>	<b>72</b>	<b>94</b>	<b>111</b>

## 21. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Pak Oman Microfinance Bank Ltd.				
	2006	2007	2008	2009	2010
<b>ASSETS</b>					
Cash & Balances with SBP and NBP	200	2,826	3,177	2,554	3,567
Balances with Other Banks	8,001	7,864	12,902	292,846	31,738
Lending to Financial Institutions	345,000	304,212	213,011	211,861	451,639
Investments-net of Provisions	-	30,451	52,758	63,511	58,140
Advances - net of Provisions	84,012	87,865	120,437	96,611	84,917
Operating Fixed Assets	24,992	35,561	27,192	21,930	18,815
Other Assets	24,755	24,722	24,263	24,071	69,121
Deferred Tax Assets	6,228	3,709	5,635	7,442	27,480
<b>TOTAL ASSETS</b>	<b>493,189</b>	<b>497,211</b>	<b>459,374</b>	<b>720,826</b>	<b>745,414</b>
<b>LIABILITIES</b>					
Deposits and Other Accounts	-	23,189	23,859	24,547	27,725
Borrowings	-	-	-	-	-
Other Liabilities	4,422	10,468	10,607	17,820	18,445
Deferred Tax Liability	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>4,422</b>	<b>33,657</b>	<b>34,466</b>	<b>42,367</b>	<b>46,169</b>
<b>NET ASSETS</b>	<b>488,766</b>	<b>463,554</b>	<b>424,909</b>	<b>678,459</b>	<b>699,245</b>
<b>REPRESENTED BY:</b>					
Share Capital	500,000	500,000	500,000	500,000	751,820
Statutory Reserves	-	-	-	-	4,874
Depositors' protection fund	-	-	-	-	1,219
Accumulated losses	(11,234)	(46,053)	(68,913)	(75,709)	(57,434)
Advance against Issue of right shares	-	-	-	251,820	-
Surplus on revaluation of assets	-	1,061	(11,177)	(416)	(2,496)
Deferred Grants	-	8,546	4,998	2,764	1,263
<b>TOTAL</b>	<b>488,766</b>	<b>463,554</b>	<b>424,908</b>	<b>678,459</b>	<b>699,245</b>
<b>OPERATING POSITION</b>					
Mark-Up/ Return/Interest Earned	35,760	54,349	59,546	74,983	97,029
Mark-Up/ Return/Interest Expenses	-	332	869	35	315
<b>Net Mark-Up / Interest Income</b>	<b>35,760</b>	<b>54,017</b>	<b>58,677</b>	<b>74,948</b>	<b>96,715</b>
Provisions & Bad Debts Written Off Directly	1,279	7,505	8,723	4,117	4,750
<b>Net Mark-Up / Interest Income After Provision</b>	<b>34,481</b>	<b>46,511</b>	<b>49,954</b>	<b>70,831</b>	<b>91,964</b>
Fees, Commission & Brokerage Income	-	245	1,986	1,886	2,347
Dividend Income	-	517	2,163	2,309	2,495
Amortisation of Grant	-	3,954	3,548	2,234	1,500
Gain/loss on disposal of fixed asset	-	-	(736)	403	175
Other Income	6	54	188	304	287
<b>Total Non - Markup / Interest Income</b>	<b>6</b>	<b>4,770</b>	<b>7,149</b>	<b>7,136</b>	<b>6,805</b>
Administrative and Other Expenses	43,689	83,431	81,587	86,128	92,121
Other Expenses	8,080	427	25	57	130
<b>Total Non-Markup/Interest Expenses</b>	<b>51,769</b>	<b>83,858</b>	<b>81,612</b>	<b>86,185</b>	<b>92,252</b>
Extra ordinary/unusual Items	-	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(17,283)</b>	<b>(32,577)</b>	<b>(24,508)</b>	<b>(8,218)</b>	<b>6,518</b>
Taxation - Current	179	296	-	385	1,023
- Prior Years	-	-	(294)	-	-
- Deferred	(6,228)	1,947	(1,354)	(1807)	(18,872)
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(11,234)</b>	<b>(34,820)</b>	<b>(22,860)</b>	<b>(6,796)</b>	<b>24,366</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(464,197)</b>	<b>36,017</b>	<b>38,108</b>	<b>26,516</b>	<b>(261,580)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(27,601)</b>	<b>(46,028)</b>	<b>(32,719)</b>	<b>984</b>	<b>1,484</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>500,000</b>	<b>12,500</b>	<b>-</b>	<b>251,820</b>	<b>-</b>
<b>Number of Employees</b>	<b>115</b>	<b>201</b>	<b>152</b>	<b>150</b>	<b>151</b>

(Contd.)

## 21. Financial Position of Microfinance Banks

( End Dec. : Thousand Rupees)

Financial Position	Rozgar Microfinance Bank Ltd.			
	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	73	417	7,226	10,367
Other assets	-	2,379	3,083	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	1,382	3,182	17,887	17,788
Other Liabilities	-	-	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	-	-	6,540	13,649
Mark-Up/ Return/Interest Expenses	-	-	5	597
<b>Net Mark-Up / Interest Income</b>	<b>-</b>	<b>-</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>-</b>	<b>-</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>-</b>	<b>-</b>	<b>3</b>	<b>2002</b>
Administrative Expenses	-	-	8,699	18,982
Other Expenses	-	-	-	71
<b>Total Non-Markup/Interest Expenses</b>	<b>-</b>	<b>-</b>	<b>8,699</b>	<b>19,053</b>
Extra ordinary/unusual Items	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>-</b>	<b>-</b>	<b>(2,553)</b>	<b>(7,884)</b>
Taxation - Current	-	-	33	68
- Prior Years	-	-	-	-
- Deferred	-	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>-</b>	<b>-</b>	<b>(2,586)</b>	<b>(7,952)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>-</b>	<b>767</b>	<b>(7,424)</b>	<b>(23,862)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>-</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>

## 21. Financial Position of Microfinance Banks

( End Dec. : Thousand Rupees)

Financial Position	Rozgar Microfinance Bank Ltd.			
	2007	2008	2009	2010
<b>ASSETS</b>				
Cash & Balances With State Bank of Pakistan	3,539	3,523	6,268	6,260
Preliminary Expenses	-	-	-	-
Pre-operating Expenses	-	-	-	-
Balances With Other Banks	54,321	37,560	49,757	50,341
Investments-net	4,603	4,627	4,489	53,958
Advances-net	29,597	18,520	491	352
Operating Fixed Assets	9,896	8,084	5,403	1,546
Other assets	5,537	7,096	4,423	7,637
<b>TOTAL ASSETS</b>	<b>107,493</b>	<b>79,410</b>	<b>70,831</b>	<b>120,093</b>
<b>LIABILITIES</b>				
Deposits	32,360	24,180	30,838	24,000
Other Liabilities	3,869	4,808	3,015	3,133
<b>TOTAL LIABILITIES</b>	<b>36,229</b>	<b>28,988</b>	<b>33,853</b>	<b>27,133</b>
<b>NET ASSETS</b>	<b>71,264</b>	<b>50,422</b>	<b>36,978</b>	<b>92,960</b>
<b>REPRESENTED BY:</b>				
Share Capital	100,000	100,000	100,000	160,000
Advances against shares to be issued	-	-	-	-
Accumulated Loss	(29,635)	(50,155)	(63,345)	(67,040)
Deferred grant	899	577	323	-
<b>TOTAL</b>	<b>71,264</b>	<b>50,422</b>	<b>36,978</b>	<b>92,960</b>
<b>OPERATING POSITION</b>				
Mark-Up/ Return/Interest Earned	15,109	15,561	7,044	7,064
Mark-Up/ Return/Interest Expenses	1,067	1,458	1,013	919
<b>Net Mark-Up / Interest Income</b>	<b>14,042</b>	<b>14,103</b>	<b>6,031</b>	<b>6,146</b>
Provisions & Bad Debts Written Off Directly	7,667	14,220	9,807	127
<b>Net Mark-Up / Interest Income After Provision</b>	<b>6,375</b>	<b>(117)</b>	<b>(3,776)</b>	<b>6,019</b>
Fees, Commission & Brokerage Income	1,254	1,180	330	289
Dividend Income	-	-	-	-
Other Income	417	2,887	3,680	3,290
<b>Total Non - Markup / Interest Income</b>	<b>1,671</b>	<b>4,067</b>	<b>4,010</b>	<b>3,579</b>
Administrative Expenses	24,657	24,447	13,413	10,722
Other Expenses	939	22	10	2,465
<b>Total Non-Markup/Interest Expenses</b>	<b>25,596</b>	<b>24,469</b>	<b>13,423</b>	<b>13,187</b>
Extra ordinary/unusual Items	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(17,550)</b>	<b>(20,519)</b>	<b>(13,189)</b>	<b>(3,590)</b>
Taxation - Current	76	-	-	-
- Prior Years	-	-	-	71
- Deferred	-	-	-	35
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(17,626)</b>	<b>(20,519)</b>	<b>(13,189)</b>	<b>(3,696)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>5,417</b>	<b>(16,912)</b>	<b>(12,650)</b>	<b>(11,095)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>3,287</b>	<b>137</b>	<b>2,290</b>	<b>(48,329)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,000</b>
<b>Number of Employees</b>	<b>76</b>	<b>56</b>	<b>27</b>	<b>22</b>

(Contd.)

## 21. Financial Position of Microfinance Banks

(End Dec. : Thousand Rupees)

Financial Position	Tameer Microfinance Bank Ltd.				
	2006	2007	2008	2009	2010
<b>ASSETS</b>					
Cash & Balances with SBP and NBP	45,956	58,787	77,866	160,040	310,485
Balances with Other Banks/NBFIs/MFBs	508,920	604,723	990,385	666,128	926,107
Lending to Financial Institutions	-	-	-	-	-
Investments - Net of Provisions	29,370	48,795	41,812	56,459	177,724
Advances - Net of Provisions	518,202	360,028	888,407	1,513,247	3,045,537
Operating Fixed Assets	78,536	93,983	119,545	156,467	188,611
Other Assets	50,582	51,761	139,694	209,792	341,431
Deferred Tax Assets	37,040	37,145	38,000	37,351	289,205
<b>TOTAL ASSETS</b>	<b>1,268,606</b>	<b>1,255,222</b>	<b>2,295,709</b>	<b>2,799,484</b>	<b>5,279,100</b>
<b>LIABILITIES</b>					
Deposits and Other Accounts	473,751	648,373	639,525	1,267,829	2,954,653
Borrowings	222,998	227,142	340,581	232,231	661,608
Other Liabilities	19,993	44,365	69,335	174,272	311,587
Deferred Tax Liability	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>716,742</b>	<b>919,880</b>	<b>1,049,441</b>	<b>1,674,332</b>	<b>3,927,848</b>
<b>NET ASSETS</b>	<b>551,864</b>	<b>335,342</b>	<b>1,246,268</b>	<b>1,125,152</b>	<b>1,351,252</b>
<b>REPRESENTED BY:</b>					
Share Capital	600,000	600,000	1,346,939	1,346,939	1,346,939
Statutory Reserves	-	-	343,469	343,469	405,812
Accumulated losses	(69,766)	(298,401)	(494,047)	(616,026)	(428,997)
Surplus on revaluation of assets	109	(89)	(1,726)	(473)	(289)
Deferred Grants	21,521	33,832	51,633	51,243	27,787
<b>TOTAL</b>	<b>551,864</b>	<b>335,342</b>	<b>1,246,268</b>	<b>1,125,152</b>	<b>1,351,252</b>
<b>OPERATING POSITION</b>					
Mark-Up/ Return/Interest Earned	88,988	184,398	231,509	439,691	753,406
Mark-Up/ Return/Interest Expenses	9,423	86,580	105,969	115,144	181,769
<b>Net Mark-Up / Interest Income</b>	<b>79,565</b>	<b>97,818</b>	<b>125,540</b>	<b>324,547</b>	<b>571,637</b>
Provisions & Bad Debts Written Off Directly	7,941	88,789	(6,227)	9,331	25,248
<b>Net Mark-Up / Interest Income After Provision</b>	<b>71,624</b>	<b>9,029</b>	<b>131,767</b>	<b>315,216</b>	<b>546,389</b>
Fees, Commission & Brokerage Income	15,020	13,448	25,862	48,693	194,054
Gain on sale of Investment	-	75	-	18,900	-
Other Income	7,742	24,667	66,606	73,039	117,294
<b>Total Non - Markup / Interest Income</b>	<b>22,762</b>	<b>38,190</b>	<b>92,468</b>	<b>140,632</b>	<b>311,348</b>
Administrative and Other Expenses	181,102	273,100	418,649	554,122	825,298
Exchange Losses on revaluation of borrowing	-	-	-	18,900	-
Other Expenses	25	1,641	1,232	2,262	25,372
<b>Total Non-Markup/Interest Expenses</b>	<b>181,127</b>	<b>274,741</b>	<b>419,881</b>	<b>575,284</b>	<b>850,670</b>
Extra ordinary/unusual Items	-	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(86,741)</b>	<b>(227,522)</b>	<b>(195,646)</b>	<b>(119,436)</b>	<b>7,067</b>
Taxation - Current	520	1,113	-	2,543	9,647
- Prior Years	-	-	-	-	-
- Deferred	(37,097)	-	-	-	(251,952)
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(50,164)</b>	<b>(228,635)</b>	<b>(195,646)</b>	<b>(121,979)</b>	<b>249,372</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(135,761)</b>	<b>(52,015)</b>	<b>(551,526)</b>	<b>(164,497)</b>	<b>191,023</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(78,536)</b>	<b>(58,130)</b>	<b>(53,506)</b>	<b>(84,978)</b>	<b>(181,417)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>223,541</b>	<b>(24,779)</b>	<b>1,209,773</b>	<b>7,392</b>	<b>400,818</b>
<b>Number of Employees</b>	<b>426</b>	<b>658</b>	<b>865</b>	<b>791</b>	<b>786</b>

## 21. Financial Position of Microfinance Banks

( End Dec. : Thousand Rupees)

Financial Position	The First Microfinance Bank Ltd.			
	2003	2004	2005	2006
<b>ASSETS</b>				
Cash & Balances With Treasury Banks	38,923	42,567	58,655	75,436
Balances with Other Banks/NBFIs/MFBs	113,161	163,870	783,113	669,019
Lending to Financial Institutions	-	600,000	-	47,731
Investments - net of Provisions	907,050	100,891	193,315	75,353
Advances - net of Provisions	64,116	207,226	353,726	674,215
Operating Fixed Assets	23,012	16,789	25,947	68,821
Other Assets	42,475	27,803	38,888	67,717
Deferred Tax Assets	-	5,662	7,000	1,898
<b>TOTAL ASSETS</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	-	-	95,884	-
Short term Borrowing	25,000	-	-	-
Deferred Grant	-	-	-	-
Other Liabilities	12,788	12,379	19,775	35,333
Deferred Tax Liability	29,479	-	-	-
<b>TOTAL LIABILITIES</b>	<b>459,315</b>	<b>481,353</b>	<b>766,377</b>	<b>959,909</b>
<b>NET ASSETS</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
Statutory & General Reserves	1,603	2,794	2,938	8,040
Unappropriated Profit	6,013	10,477	16,784	30,151
Surplus on Remeasurement of Investment	54,999	(65)	2	45
Revolving Fund for Micro credit	2,304	4,590	8,470	18,440
Deferred Grants	4,097	4,936	4,976	1,495
Depositors Protection fund	406	722	1,096	2,108
<b>TOTAL</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	67,720	66,964	117,067	205,757
Mark-Up/ Return/Interest Expenses	5,518	7,920	15,423	39,347
<b>Net Mark-Up / Interest Income</b>	<b>62,202</b>	<b>59,044</b>	<b>101,644</b>	<b>166,410</b>
Provisions & Bad Debts Written Off Directly	1,319	4,039	4,943	6,660
<b>Net Mark-Up / Interest Income After Provision</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	2,622	5,462	928	676
<b>Total Non - Markup / Interest Income</b>	<b>5,988</b>	<b>35,900</b>	<b>17,774</b>	<b>14,820</b>
Administrative and Other Expenses	62,217	80,691	105,654	144,580
Other Expenses	-	80	76	-
<b>Total Non-Markup/Interest Expenses</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>4,654</b>	<b>10,134</b>	<b>8,745</b>	<b>29,990</b>
Taxation - Current	2,422	4,182	6,100	5,200
- Prior Years	-	-	(864)	272
- Deferred	-	-	(1,375)	5,078
<b>PROFIT/ (LOSS) AFTER TAX</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>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>(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>2,304</b>	<b>8,408</b>	<b>18,076</b>	<b>18,497</b>
<b>Number of Employees</b>	<b>173</b>	<b>205</b>	<b>258</b>	<b>527</b>

(Contd.)

## 21. Financial Position of Microfinance Banks

( End Dec. : Thousand Rupees)

Financial Position	The First Microfinance Bank Ltd.			
	2007	2008	2009	2010
<b>ASSETS</b>				
Cash & Balances With Treasury Banks	198,325	332,676	406,467	292,159
Balances with Other Banks/NBFIs/MFBs	527,512	777,284	507,727	549,600
Lending to Financial Institutions	72,960	-	244,402	97,544
Investments - net of Provisions	545,684	549,215	1,775,331	2,785,780
Advances - net of Provisions	1,193,609	2,067,751	2,725,562	2,221,770
Operating Fixed Assets	169,202	195,984	178,187	151,469
Other Assets	99,870	171,343	230,331	254,456
Deferred Tax Assets	-	-	-	-
<b>TOTAL ASSETS</b>	<b>2,807,162</b>	<b>4,094,253</b>	<b>6,068,007</b>	<b>6,352,778</b>
<b>LIABILITIES</b>				
Deposits and Other Accounts	2,035,584	3,304,742	5,219,008	5,344,198
Borrowings From Govt. of Pakistan	-	-	-	-
Short term Borrowing	-	100,000	-	-
Deferred Grant	-	-	-	-
Other Liabilities	84,137	120,632	255,789	255,845
Deferred Tax Liability	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>2,119,721</b>	<b>3,525,374</b>	<b>5,474,797</b>	<b>5,600,043</b>
<b>NET ASSETS</b>	<b>687,441</b>	<b>568,879</b>	<b>593,210</b>	<b>752,735</b>
<b>REPRESENTED BY:</b>				
Share Capital	660,001	660,001	660,001	990,001
Statutory & General Reserves	8,040	8,040	13,472	13,472
Unappropriated Profit	2,362	(104,231)	(84,174)	(254,104)
Surplus on Remeasurement of Investment	(1,677)	(8,759)	(9,260)	(9,331)
Revolving Fund for Micro credit	10,083	-	-	-
Deferred Grants	6,476	11,358	9,028	8,183
Depositors Protection fund	2,156	2,471	4,142	4,514
<b>TOTAL</b>	<b>687,441</b>	<b>568,879</b>	<b>593,209</b>	<b>752,735</b>
<b>OPERATING POSITION</b>				
Mark-Up/ Return/Interest Earned	315,784	525,796	969,041	1,146,753
Mark-Up/ Return/Interest Expenses	99,878	165,468	407,753	487,057
<b>Net Mark-Up / Interest Income</b>	<b>215,906</b>	<b>360,328</b>	<b>561,288</b>	<b>659,696</b>
Provisions & Bad Debts Written Off Directly	20,423	30,072	40,752	224,433
<b>Net Mark-Up / Interest Income After Provision</b>	<b>195,483</b>	<b>330,256</b>	<b>520,536</b>	<b>435,263</b>
Fees, Commission & Brokerage Income	27,484	62,648	104,276	99,485
Grant income-net of related expenses	10,395	1,701	3,800	4,806
Gain on sale of Investment	3,854	1,936	-	-
Other Income	4,234	3,160	5,024	7,431
<b>Total Non - Markup / Interest Income</b>	<b>45,967</b>	<b>69,444</b>	<b>113,100</b>	<b>111,722</b>
Administrative and Other Expenses	264,237	505,616	596,728	690,517
Depreciation - grant related assets	-	-	-	4,806
Other provisions/write offs	-	-	3,800	8,589
Other Expenses	-	-	553	47
<b>Total Non-Markup/Interest Expenses</b>	<b>264,237</b>	<b>505,616</b>	<b>601,081</b>	<b>703,959</b>
Extra ordinary/unusual Items	-	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(22,788)</b>	<b>(105,916)</b>	<b>32,553</b>	<b>(156,974)</b>
Taxation	1,738	-	5,392	12,585
- Prior Years	1,366	677	-	-
- Deferred	1,898	-	-	-
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(27,789)</b>	<b>(106,593)</b>	<b>27,161</b>	<b>(169,559)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>563,146</b>	<b>348,712</b>	<b>1,072,936</b>	<b>432,217</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>600,585</b>	<b>(83,043)</b>	<b>(1,176,281)</b>	<b>(842,250)</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>18,822</b>	<b>18,454</b>	<b>7,578</b>	<b>337,597</b>
<b>Number of Employees</b>	<b>1,045</b>	<b>1,575</b>	<b>1,531</b>	<b>1,544</b>

## 21. Financial Position of Microfinance Banks

(Concl.)

(End Dec. : Thousand Rupees)

Financial Position	KASHF Microfinance Bank Ltd.		
	2008	2009	2010
<b>ASSETS</b>			
Cash & Balances with SBP and NBP	112	62,000	87,648
Balances with Other Banks	520,268	463,352	400,874
Lending to Financial Institutions	-	-	-
Investments-net of Provisions	-	-	28,767
Advances - net of Provisions	542,749	408,792	430,382
Operating Fixed Assets	108,792	208,929	223,538
Other Assets	26,522	39,769	34,670
Deferred Tax Assets	--	9,014	22,460
<b>TOTAL ASSETS</b>	<b>1,198,443</b>	<b>1,191,856</b>	<b>1,228,339</b>
<b>LIABILITIES</b>			
Deposits and Other Accounts	-	318,473	776,401
Borrowings	-	300,000	-
Other Liabilities	486,691	48,600	49,659
Deferred Tax Liability	-	-	-
<b>TOTAL LIABILITIES</b>	<b>486,691</b>	<b>667,073</b>	<b>826,060</b>
<b>NET ASSETS</b>	<b>711,752</b>	<b>524,783</b>	<b>402,279</b>
<b>REPRESENTED BY:</b>			
Share Capital	750,000	750,000	750,000
Un-appropriate Profit	-	-	-
Accumulated losses	(38,247)	(225,218)	(399,457)
Surplus on revaluation of assets	-	-	-
Deferred Grants	-	-	51,737
<b>TOTAL</b>	<b>711,753</b>	<b>524,782</b>	<b>402,280</b>
<b>OPERATING POSITION</b>			
Mark-Up/ Return/Interest Earned	52,813	180,507	214,686
Mark-Up/ Return/Interest Expenses	-	30,360	65,786
<b>Net Mark-Up / Interest Income</b>	<b>52,813</b>	<b>150,147</b>	<b>148,900</b>
Provisions & Bad Debts Written Off Directly	9,831	81,768	32,177
<b>Net Mark-Up / Interest Income After Provision</b>	<b>42,982</b>	<b>68,379</b>	<b>116,723</b>
Fees, Commission & Brokerage Income	2,712	30,454	40,362
Dividend Income	-	-	-
Amortization of Grant	-	-	-
Other Income	645	1,852	27,658
<b>Total Non - Markup / Interest Income</b>	<b>3,357</b>	<b>32,306</b>	<b>68,020</b>
Administrative and Other Expenses	84,485	288,039	363,549
Other Expenses	101	7,565	6,950
<b>Total Non-Markup/Interest Expenses</b>	<b>84,586</b>	<b>295,604</b>	<b>370,499</b>
Extra ordinary/unusual Items	-	-	-
<b>PROFIT/ (LOSS) BEFORE TAXATION</b>	<b>(38,247)</b>	<b>(194,920)</b>	<b>(185,755)</b>
Taxation - Current	-	1,064	1,931
- Prior Years	-	-	-
- Deferred	-	(9,014)	(13,446)
<b>PROFIT/ (LOSS) AFTER TAX</b>	<b>(38,247)</b>	<b>(186,970)</b>	<b>(174,270)</b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(120,585)</b>	<b>128,516</b>	<b>(16,477)</b>
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(108,970)</b>	<b>(217,505)</b>	<b>17,535</b>
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>749,935</b>	<b>(6,039)</b>	<b>62,113</b>
<b>Number of Employees</b>	<b>273</b>	<b>443</b>	<b>448</b>