



PMIC
Pakistan Microfinance Investment
Company Limited

PMIC Connect

January 2023



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Issue # 01-23

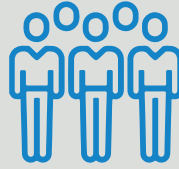


Portfolio Highlights



PKR 27,959
(Million)

LOAN PORTFOLIO



PKR 760,780

TOTAL CLIENTS



90

NUMBER OF DISTRICTS



23

TOTAL BORROWERS



85%

WOMEN CLIENTS



36%

YOUTH CLIENTS



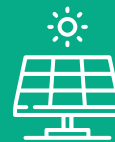
63%

RURAL



3.4 (Billion)

LOAN PORTFOLIO
DEPLOYMENT IN
EXTREME POVERTY ZONES



28,267

RENEWABLE ENERGY -
UNITS SOLD



81.76 (Million)

LIVESTOCK INSURED



946,421

CUMULATIVE JOBS
SUPPORTED BY MICROINANCE
LENDING OPERATIONS



104 (Billion)

INCREMENTAL REVENUE
GENERATION BY PMIC
FINANCE MICRO ENTERPRISES

PMIC News Bites



PORTFOLIO MANAGEMENT DEPARTMENT INITIATIVES

Field Visit

Portfolio Management Department

The PMD team paid a special visit to a newly onboarded microfinance institution Union Microfinance Company Limited (UMCL) based in Karachi. The team had meetings with the senior management of the organization and discussions were carried out regarding their ongoing operations, prevalent external challenges including current economic situation, key developments, and business expansion plan. The team also interacted with the end-clients of the organization to discuss their pattern of loan utilization, concerns related to economic situation on their cashflows resultingly their livelihood, and asked for their feedback to improve the ongoing program. Upon meeting the end-clients of the organization, the clients ensured satisfaction regarding the financial products and services being offered by the borrower as it has helped them in improving their livelihood.

CORPORATE FINANCE AND INVESTMENT BANKING INITIATIVES

Engagement with Commercial Banks

During the month, PMIC team met with commercial banks on routine quarterly visit to provide an update on microfinance sector and explore business opportunities. The Banks re-affirmed commitment to continue to extend support to PMIC amid political and economic uncertainty, which exhibits confidence of the Financial Sector in sponsors, management and operations of the company.

To support the microfinance institutions, attract commercial funding from banks (esp under current economic situation), PMIC has entered into arrangement with one of the banks to utilize its Credit Enhancement Facility (CEF) product and use it as collateral for onward lending to microfinance players (MFPs). The development has attracted significant interest from MFPs, who are in contact with the bank and PMIC to structure and execute financing arrangement under CEF.

Loan Portfolio Guarantee

PMIC initiated discussions with one of US based Development Financial Institution (DFI) to enter into a risk sharing arrangement under which the DFI would guarantee up to 50% of PMIC's incremental exposure to Microfinance providers. This initiative would not only cover credit risk on borrower but would also enhance PMIC's capacity to lend more to the MFPs.

SECTOR DEVELOPMENT DEPARTMENT PROJECTS

LCPS Projects

The initial phase of the Education Quality Program has been launched successfully. Opportunity International has been conducting technical trainings for partner MFI's staff and is actively engaged in new education product development with RCDP. Disbursement of the first tranche took place successfully for RCDP and AGAHE Pakistan. For the school and teacher trainings, school verification has been concluded. We are currently working on the development and refinement of the paper-based model that will be used to conduct EdQ trainings starting march,2023.

PRIME

PMIC's RE team and the Program Implementation Consultant continued to work on renewing the quality assurance framework in light of feedback provided by KfW. The document has been updated with technical specifications of locally manufactured products. This step is being taken to cope up with acute shortage of solar products, which emerged after stringent restrictions imposed by the government on importation and opening of Letter of Credit. PMIC also worked on the subsidy concept note, shared by the PIC. Revisions have been suggested to the concept note and a forecasting sheet developed to provide 3 year subsidy consumption working. A presentation on this subsidy note was delivered to the MANCOM members of PMIC and after incorporation of their feedback the revised concept note will be shared with PIC for further working. Further, an extension was provided for PRIME program to 4 borrowers including aGAHE Pakistan, CEIP, Safco and TMF and after completion of the legal documentation 4th quarter grant disbursements will be made accordingly.

Livestock Micro Insurance - LMI

The LMI project deployment continued in the field and around 3,000 animals have been insured as of date. Asia Insurance Company – AIC developed the off-line version of the TAGMU application, which will be pilot tested by Microfinance Providers during February 2023. The off-line version would allow the credit officers to save the pictures and other information of the animal and client in the TAGMU application, which could be uploaded to online server when internet connectivity is available. PMIC has also worked on a revenue sharing model for Livestock Micro Insurance, which will help PMIC in establishing a new revenue stream. The revenue sharing model was presented to the Management Risk Committee – which had approved it with minor edits. The same will be shared with Board of Directors during the March board meeting for information and subsequently it's implementation will start accordingly.



Client Success Story

Farzana Kausar a 38-year-old mother of 03 daughters from Ada thingy, Vehari has become a success in home-based beauty salon services in her village. Her husband worked as a labourer in a flour mill and earns 25,000 per month and they live in a separate family system.

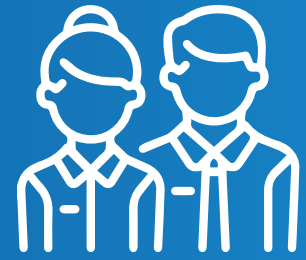
Farzana already had the skills of a beautician and she wanted to support her husband so she could do more for her daughters. Hence she decided to turn her hobby into a small business and she approached AGAHE Pakistan, one of the borrowers of PMIC for a 40,000Rs loan to set her parlour. This helped her set up a small saloon in her house and buy the essentials required. Once this setup started working successfully, she took another loan of 50,000Rs and later 100,000Rs from AGAHE and expanded her salon.

Her hard work paid off and Farzana is currently earning close to 25,000Rs to 30,000Rs per month from her beauty services. She wishes to teach this skill to all her three daughters so that they would also earn their income on their behalf in future. Her husband supports her business and motivates her to expand it further in her manageable capacity.





People & Culture



HR & Admin Activities

Farewell

Syed Ambreen Zehra resigned from her position as Head of the HR department. PMIC management and team wished her luck for her future endeavors.



Hike

Team building activities improves workplace projects that involve teamwork because it helps the teams understand each other better. Keeping that in view a team hike was planned at Trail 7 followed by breakfast at CEOs residence.



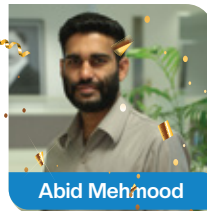
Birthdays & New Year Celebrations

PMIC believes in celebrating the achievements of its employees and special days of the year.

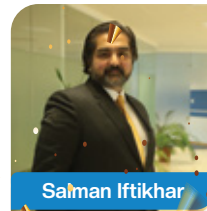
Celebrations were held to mark the beginning of a new year 2023 along with the birthday celebrations for the month of January.



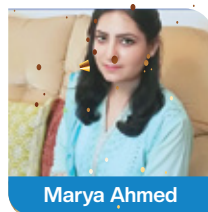
Afia Khan



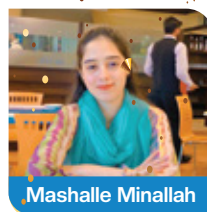
Abid Mehmood



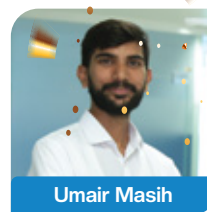
Salman Iftikhar



Marya Ahmed



Mashalle Minallah



Umair Masih



Read of The Month



Family Gala



Corporate events are an ideal way to highlight the company's culture and core values. Our Sector Development department along with HR & Admin department organized a Family Gala on the 27th of January 2023 for its employees and their families in celebration of the company's achievements. During the Gala Dinner, the employees were acknowledged and applauded for their contributions and performance. The families of the employees were also briefed about what PMIC is doing for the underserved society of the country and changing lives of people.



Following this, PMIC's clients were invited to share their journey/achievements with everyone. They spoke about how they gained access to financial services that enabled them to climb out of poverty and generate income to improve the quality of their lives. Various team-building, family entertainment, and fun-filled activities were arranged for the attendees, followed by a concluding musical performance by a group of young and extremely talented Afghan girls.

