

PMIC CONNECT

SEPTEMBER, 2022

Portfolio Highlights



• Number of Districts: — **90**



• No. of Borrowers: — **25**



• Loan Portfolio: — **Rs.27,371 Million (August-22)**



• Women: — **85% (June-22)**



• Youth Clients: — **39% (June-22)**



• Rural: — **64% (June-22)**

**Passion
for Progress**

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PMIC News Bites

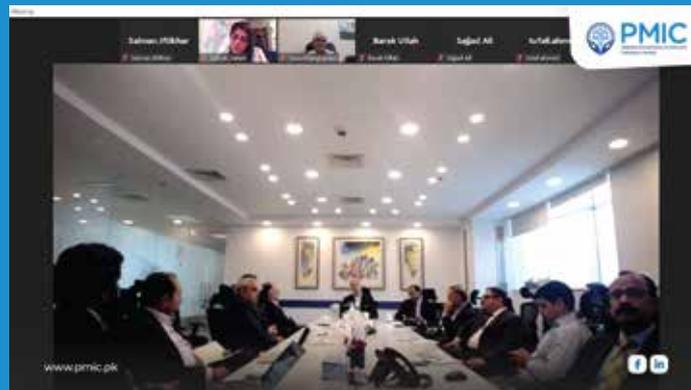
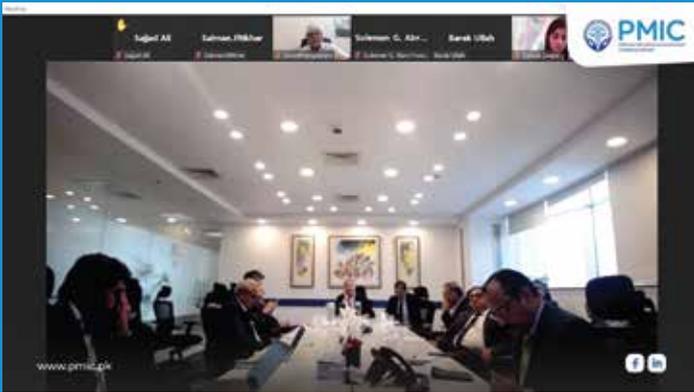
Planning for Revival and Rehabilitation of Businesses and Livelihood of M.F Clients

Recent floods have racked havoc across Pakistan. Rural communities have borne grave losses including livelihood, houses, crops and animals. PMIC is striving hard to design initiatives for rehabilitation and revival of livelihood means and businesses of microfinance clients. In this regard, PMIC carried out meetings with a number of stakeholders including Planning commission, Ministry of Finance, World Bank, Asian Development Bank, Microfinance Providers as well as Commercial banks to further assess the scale of damage and design initiatives to help clients re-establish their businesses and revive their income streams.



Round Table - Impact of Floods

Pakistan Microfinance Investment Company-PMIC organized a Round Table in September 2022, to discuss the impact of floods on the microfinance sector and clients. The discussion focused on strategizing for the rehabilitation and revival of the livelihoods of the clients, sustainability of the MFPs, and steps needed to be taken to safeguard the sector against such catastrophes in the future.



Field Visit

Portfolio Management Department

The PMD team visited two microfinance providers Kashf Foundation and JWS Pakistan based in Lahore and Gujranwala, respectively. The team met senior management of both organizations to discuss their ongoing operations, prevalent external challenges including flooding and inflation, key developments, and business expansion plan. The team also met end-clients of the organizations to discuss patterns with respect to loan utilization, concerns related to economic situation on their livelihood, and asked for their feedback in order to improve the ongoing program. During interaction with clients of both organizations, it was observed that clients did raise concerns about growing inflation, but it was not impacting them to a severe extent. On the positive side, majority of clients showed willingness to increase their loan sizes in the next loan cycle for improvement in their profit margins. The clients seemed satisfied with the services of JWS and Kashf Foundation as it has helped them in improving their livelihood.



Sector Development Department Initiatives

PRIME

The recent floods in different parts of the country have disrupted the PRIME program badly, especially in multiple districts of Sindh and Southern Punjab. MFPs are currently engaged in relief activities and assessing the damage caused by floods to the affected communities, as it will have a direct bearing on the outstanding loan portfolio of MFPs. The borrowers are running the awareness campaigns at a limited scale. Activities under PRIME in other districts had continued. The Project Implementation Consultant (Agriculture Finance Consultants) team submitted their inception report to PMIC and KfW. PMIC as well as KfW have provided their comments on the inception report to AFC. Furthermore, PMIC provided a revised note on Grant subsidy under PRIME for Euro 5 Million to KfW. KfW is still reviewing the document and will submit a concept note based on the same to Germany's Federal Ministry of Economic Cooperation and Development.

LCPS Projects

Opportunity International has started the school verification process of the LCPS shortlisted for the Education Quality Program. SDD has acquired an official approval from the MRC and are now finalizing the MOU signing date. The program is expected to launch in October, 2022. The program is expected to be a one-of-a-kind detailed program focusing on teacher and school owner trainings while improving the quality of education for more than 30,000 students in Southern Punjab.

Livestock Micro Insurance

PMIC organized meetings with Asia Insurance Company and the two borrowers including RCDP and Safco to resolve the challenges and establish a timeline for completion of the project. The TAGMU team (Tagmu application development firm) was also part of the calls. The TAGMU team is still working on developing an off-line version for the application, however it will take at-least 2-3 more months to develop it. The current version of application only works in areas where internet connectivity is better. In order to address the challenges and achieve the target under the LMI project, both Safco and RCDP will add 1-2 new districts where internet connectivity is better, while Asia Insurance Team will send their trainers to both borrower's designated training sights to train credit staff for insurance of animals through the TAGMU application. The borrowers are expected to achieve the target by end of this year. As of date around 2,000 animals have been insured under the project.

Client Success Story

Rubina Bibi: An Equal Partner

Rubina was an intermediate at the time of her marriage; her husband believed that a woman's job was to manage the household duties and he was responsible for being the bread earner. Rubina's husband had a thriving boutique and cloth business student and was considered the most resourceful person in the family. Just two years after marriage, he lost a great deal of his money to fraud, which led to huge business losses resulting in increase of their financial hardship and uncertainty regarding their future survival.

Rubina knew that she will have to rise to the occasion in spite of her husband's patriarchal attitudes towards women's economic participation. It took a lot of cajoling and convincing, but she was able to impress upon him to allow her to start a small home-based business. Rubina was an excellent cook and therefore it seemed only natural that she starts a business in line with her skills. While she had ideas for her

business venture like starting with selling frozen foods and then branching out into home cooked meals, she did not have access to capital. At this very hopeless juncture she learnt about KASHF Foundation's gender centric loan program (KASHF - a borrower of PMIC). For Rubina the KASHF credit experience was in direct contrast to her earlier banking experience, as the loan was easy to access with very simple loan processing requirements. Upon contacting KASHF, Rubina's loan was approved within days, and she was able to secure capital to begin her business.

Rubina started her business with frozen food items. These proved to be an instant hit amongst neighbors, friends, and family members. In the first month she was able to generate a revenue of about PKR 50,000. This income was a readily welcomed into the house and helped reduce some of their economic hardship. Rubina soon decided to make lunch boxes for offices around her locality. Rubina diligently prepared and sent the samples across and they liked the food so much that ten co-workers decided to place their order for lunch. Soon through word of mouth, other professionals also started calling to place orders and she was able to secure regular clients from three banks. Seeing the success and potential of her business, her husband started getting involved, initially by taking the responsibility of the lunch box delivery.

During Covid-19 Rubina diversified her business and secured a new loan from KASHF to set up a cloth trading business which gives her additional cash-flows. Income from the two businesses has allowed the family to regain financial security and to afford a better standard of living for their family. Rubina and her husband stand out in their community, where both of them are making commitments to accelerate gender equality within their home and beyond.



People & Culture

HR and Admin Activities

5-year Celebration

PMIC greatly admires and values its employees. Efforts of our staff members help to achieve PMIC's core goals and objectives of socio-economic development. Our teamwork and passion are key drivers behind our motivation to achieve essential milestones. In light of this, PMIC acknowledged efforts and hard work of its employees that have been part of PMIC for past 5 years by celebrating and awarding shield as a token of appreciation.



Top Performer Awards

PMIC appreciates its employees for their diligence, determination, and commitment to achieving PMIC's vision and mission. Top 5 performers were recognized after Midyear review along with most cooperative department, team members and Head of Department based on voting.



Top Performers:

- Muhmmad Salman Iftikhar
- Muhammad Asghar
- Nizwa Naeem
- Hassan Nawaz
- Zainab Ali

Most Cooperative Department:

- Portfolio Management Department

Most Cooperative Team Members:

- Aqeel Ahmed
- Roffin Masih
- Shabbir Ahmed

Most Cooperative Head of Department:

- Muhammad Rashid Imran (Chief Risk Compliance Officer)

Value initiative

CEO Club members in collaboration with HR team is working on PMIC value initiatives, this activity/initiative is aimed to bring awareness regarding PMIC values and associated behaviors. A team activity was organized using Tower game to help ingrain teamwork and a Ted Talk was shared regarding passion, innovation, and creativity after which collective discussion was conducted. This is an ongoing initiative of CEO Club.



Sneak Peek on New Hires

Junaid Khan | AVP Credit Risk Management

What is your favorite food?

Favorite food is chicken tikka.

Someone you would like to meet.

Someone I would like to meet is Babar Azam.

What is on your bucket list?

My bucket list includes a euro tour.



Masoom Raza | MTO Risk

What is your favorite food?

Without food, there is no life. Amongst all my favorite foods, fried chicken is the one that stands out and I can eat forever! I'm also very fond of cooking.

Someone you would like to meet.

Tom Cruise is someone I would like to meet. I consider him as a legendary actor and his performances amaze me!

What is on your bucket list?

My bucket list is a set of diverse activities and experiences that I wish to do in my life. For instance, visiting major landmarks, scuba diving and making a difference in someone's life!



Linta Noor | MTO Research

What is your favorite food?

I love Pakistani Cuisine, different dishes from various regions of Pakistan.

Someone you would like to meet.

I would really like to meet Syed Babar Ali and Dr. Amjad Saqib.

What is on your bucket list?

Scuba-diving, for sure.



Birthdays

We wish you a very Happy Birthday



Saqib Siddiqui

Komal Arshad

Roffin Masih

M. Asghar

Zoobia Nadeem

Nizwa Naeem

Hamza Hassan



Read of The Month

Banking-as-a-Service: How it Can Catalyze Financial Inclusion

Banking-as-a-Service (BaaS) is an entirely new business model that enables non-banks to offer banking services under their own brand and seamlessly embedded into their digital offering. By enabling the embedding of financial services into almost any digital context, BaaS may augur a profound evolution of the financial sector of which we are only seeing the early stages.

https://www.pmic.pk/wp-content/uploads/2022/09/2022_06_reading_deck_baas_case_studies_august-final.pdf