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working world**

Mobilink Microfinance Bank Limited

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

EY Ford Rhodes
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INDEPENDENT AUDITORS' REPORT

To the members of Mobilink Microfinance Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Mobilink Microfinance Bank Limited (the Bank), which comprise balance sheets at 31 December 2021 and the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan, and, give the information required by the Companies Act, 2017(XIX of 2017), provisions of and directives issued under the Microfinance Institutions Ordinance, 2001 and directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) in the manner so required and respectively give a true and fair view of the state of the Bank's affairs as at 31 December 2021 and of the profit, the other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the Director's Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to the Board of Directors. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, the requirements of the Companies Act, 2017 (XIX of 2017), provisions of and directives issued under the Microfinance Institutions Ordinance, 2001 and directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Bank as required by the Companies Act, 2017 (XIX of 2017);
- b) the balance sheet, the profit and loss account, the statement of comprehensive Income, the statement of changes in equity and the cash flow statement (together with the notes thereon have been drawn up in conformity with the Companies Act, 2017(XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Bank's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Muhammad Ahsan Shahzad.



EY Ford Rhodes
Chartered Accountants
Islamabad, Pakistan
Date: 28 April 2022
UDIN: AR202110079ul74tBoTV

MOBILINK MICROFINANCE BANK LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2021

	Note	2021 -----Rupees-----	2020
ASSETS			
Cash and balances with SBP and NBP	8	4,735,965,535	3,674,148,710
Balances with other banks	9	3,240,610,835	5,425,344,104
Lending to financial institutions		-	-
Investments	10	13,265,962,908	12,073,885,361
Advances – net of provisions	11	37,463,494,711	24,223,738,951
Operating fixed assets	12	2,125,212,463	1,860,006,338
Other assets	13	7,922,293,841	8,625,937,688
Deferred tax asset	14	405,287,170	119,866,407
Total assets		69,158,827,463	56,002,927,559
LIABILITIES			
Deposits and other accounts	15	58,658,397,196	46,806,826,744
Borrowings	16	-	-
Subordinated debt		-	-
Other liabilities	17	4,359,605,620	3,791,975,773
Deferred tax liabilities		-	-
Total liabilities		63,018,002,816	50,598,802,517
Net assets		6,140,824,647	5,404,125,042
REPRESENTED BY:			
Share capital	18	2,713,596,830	2,713,596,830
Statutory reserve		767,940,323	622,404,030
Depositors' protection fund	5.9(b)	239,191,683	188,995,154
Unappropriated profit		2,423,780,022	1,878,179,840
		6,144,508,858	5,403,175,854
(Deficit) / surplus on revaluation of assets - net	19	(3,684,211)	949,188
Deferred grants		-	-
		6,140,824,647	5,404,125,042
MEMORANDUM / OFF-BALANCE SHEET ITEMS			
	20		

The annexed notes from 1 to 43 form an integral part of these financial statements.


PRESIDENT/ CHIEF EXECUTIVE


CHAIRMAN


DIRECTOR


DIRECTOR

MOBILINK MICROFINANCE BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2021

		2021	2020
	Note	-----Rupees-----	
Markup / return / interest earned	21	11,081,740,887	7,058,799,003
Markup / return / interest expensed	22	(1,697,010,490)	(1,656,004,584)
Net markup / interest income		9,384,730,397	5,402,794,419
Provision against non-performing loans and advances - net	11.3	(987,881,475)	(202,455,576)
Provision for diminution in the value of investments		-	-
Bad debts written-off directly		-	-
		(987,881,475)	(202,455,576)
Net markup / interest income after provisions		8,396,848,922	5,200,338,843
NON MARK-UP/ NON INTEREST INCOME			
Fee, commission and brokerage income - net	23	(367,582,519)	(159,380,080)
Dividend income		3,627,219	6,770,285
Other income	24	60,481	38,107
Total non-markup / non interest income		(363,894,819)	(152,571,688)
NON MARK-UP/ NON INTEREST EXPENSES			
Administrative expenses	25	(6,976,350,679)	(4,299,567,074)
Other provisions/ write-offs		-	-
Other charges	26	(228,250)	(35,585)
Total non-markup / non interest expenses		(6,976,578,929)	(4,299,602,659)
		1,056,375,174	748,164,496
Extra ordinary/ unusual items		-	-
PROFIT BEFORE TAXATION		1,056,375,174	748,164,496
Workers Welfare Fund		(4,274,200)	(1,642,464)
		1,052,100,974	746,522,032
TAXATION			
Current	27	(608,723,149)	(194,298,034)
Prior year		-	-
Deferred		284,303,640	(21,905,069)
		(324,419,509)	(216,203,103)
PROFIT AFTER TAXATION		727,681,465	530,318,929
Unappropriated profit brought forward		1,878,179,840	1,480,440,643
Profit available for appropriations		2,605,861,305	2,010,759,572
APPROPRIATIONS:			
Transfer to:			
Statutory reserve		(145,536,293)	(106,063,786)
Capital reserve		-	-
Contribution to depositors protection fund		(36,384,073)	(26,515,946)
Revenue reserve		-	-
Proposed cash dividend Rs. Nil per share (2020: Rs. Nil per share)		-	-
Others		-	-
		(181,920,366)	(132,579,732)
UNAPPROPRIATED PROFIT CARRIED FORWARD		2,423,940,939	1,878,179,840
Earnings per share (Rupee)	34	2.68	1.95

The annexed notes from 1 to 43 form an integral part of these financial statements.

PRESIDENT/ CHIEF EXECUTIVE

CHAIRMAN


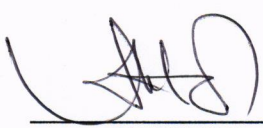


DIRECTOR

DIRECTOR

MOBILINK MICROFINANCE BANK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
	-----Rupees-----	
Profit after taxation	727,681,465	530,318,929
Other comprehensive income		
Items not to be reclassified in profit and loss account in subsequent periods		
Remeasurement loss on defined benefit obligation	(226,644)	-
Related tax impact	65,727	-
	(160,917)	
Total comprehensive income for the year transferred to equity	727,520,548	530,318,929
Component of comprehensive income / (loss) for the year not reflected in equity		
Items to be reclassified in profit and loss account in subsequent periods		
(Deficit) / surplus on revaluation on available for sale investments	(5,189,029)	1,336,884
Related tax impact	1,504,818	(387,696)
	(3,684,211)	949,188

The annexed notes from 1 to 43 form an integral part of these financial statements.

 <hr/> PRESIDENT/ CHIEF EXECUTIVE	 <hr/> CHAIRMAN	 <hr/> DIRECTOR	 <hr/> DIRECTOR
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MOBILINK MICROFINANCE BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

	Capital reserves			Revenue reserves	
	Share capital	Statutory reserve	Depositors protection fund	Unappropriated profit	Total
	----- Rupees -----				
Balance at January 01, 2020	2,713,596,830	516,340,244	147,614,175	1,480,440,643	4,857,991,892
Profit for the year	-	-	-	530,318,929	530,318,929
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	530,318,929	530,318,929
Transfers to statutory reserves	-	106,063,786	-	(106,063,786)	-
Transfer to Depositors protection fund					
- 5% of the profit after tax for the year	-	-	26,515,946	(26,515,946)	-
- return on investments	-	-	14,865,033	-	14,865,033
	-	-	41,380,979	(26,515,946)	14,865,033
Balance at December 31, 2020	2,713,596,830	622,404,030	188,995,154	1,878,179,840	5,403,175,854
Profit for the year	-	-	-	727,681,465	727,681,465
Other comprehensive loss	-	-	-	(160,917)	(160,917)
Total comprehensive income for the year	-	-	-	727,520,548	727,520,548
Transfers to statutory reserves	-	145,536,293	-	(145,536,293)	-
Transfer to Depositors protection fund					
- 5% of the profit after tax for the year	-	-	36,384,073	(36,384,073)	-
- return on investments	-	-	13,812,456	-	13,812,456
	-	-	50,196,529	(36,384,073)	13,812,456
Balance at December 31, 2021	2,713,596,830	767,940,323	239,191,683	2,423,780,022	6,144,508,858

The annexed notes from 1 to 43 form an integral part of these financial statements.

PRESIDENT/ CHIEF EXECUTIVE

CHAIRMAN

DIRECTOR

DIRECTOR

MOBILINK MICROFINANCE BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	2021 -----Rupees-----	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,056,375,174	746,522,032
Less: Dividend income		(3,627,219)	(6,770,285)
		1,052,747,955	739,751,747
Adjustment for non cash items and other items:			
Depreciation on property and equipment		224,912,823	199,057,989
Depreciation on right-of-use assets		132,491,114	109,140,425
Amortization on intangible assets		135,193,820	232,662,899
Provision against non performing advances		987,881,475	202,455,576
Provision for gratuity		23,975,632	569,157
Gain on disposal of operating fixed assets		(60,481)	(38,107)
Finance charges on lease liability		95,992,031	56,726,013
		1,600,386,414	800,573,952
		2,653,134,369	1,540,325,699
(Increase) / decrease in operating assets:			
Advances		(14,227,637,235)	(9,353,318,173)
Other assets (excluding advance taxation)		576,050,678	(5,372,344,839)
		(13,651,586,557)	(14,725,663,012)
Increase / (decrease) in operating liabilities:			
Bills payable		19,579,762	87,737,976
Deposits and other accounts		11,851,570,452	17,581,950,311
Other liabilities (excluding current taxation)		311,981,550	(546,814,587)
		12,183,131,764	17,122,873,700
Cash inflow from operations		1,184,679,576	3,937,536,387
Income tax paid		(368,305,451)	(318,774,409)
Net cash inflows from operating activities		816,374,125	3,618,761,978
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investment in available for sale securities		(161,251,339)	5,059,593
Net investment in term deposits		(222,750,000)	-
Investment in operating fixed assets		(576,493,718)	(574,334,447)
Sale proceeds of property and equipment disposed off		3,770,147	120,103
Net cash outflow from investing activities		(956,724,910)	(569,154,751)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability		(157,767,855)	(163,060,975)
Net cash outflow from financing activities		(157,767,855)	(163,060,975)
Net (decrease) / increase in cash and cash equivalents		(298,118,640)	2,886,546,252
Cash and cash equivalents at beginning of the year		21,025,764,000	18,139,217,748
Cash and cash equivalent at end of the year	28	20,727,645,360	21,025,764,000

The annexed notes from 1 to 43 form an integral part of these financial statements.

PRESIDENT/ CHIEF EXECUTIVE

CHAIRMAN

DIRECTOR

DIRECTOR

MOBILINK MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1 STATUS AND NATURE OF BUSINESS

Mobilink Microfinance Bank Limited (the Bank) was incorporated in Pakistan on November 29, 2010 as a public limited company under the then applicable Companies Ordinance, 1984 (Repealed by the Companies Act, 2017). The Bank obtained license for Microfinance operations from the State Bank of Pakistan (SBP) on September 12, 2011 to operate on a nationwide basis and received the certificate of commencement of business from Securities and Exchange Commission of Pakistan (SECP) on February 13, 2012 whereas certificate of commencement of business from SBP was received on April 20, 2012. The Bank also operates in the territory of Azad Jammu Kashmir (AJK) and has one branch in Muzaffarabad AJK.

The Bank has 105 business locations/ touch points comprising of 105 operational branches (including 1 in Muzaffarabad AJK) and no booth/ service centre (2020: 100 business locations/ touch points comprising of 100 branches (including 1 in Muzaffarabad AJK) and no booth/ service centre) in operation. The Bank's registered and principal office is situated at Plot No. 3-A/2, F-8 Markaz, Islamabad, Pakistan. The Bank is a subsidiary of Veon Microfinance Holdings B.V (VMH) (the Holding Company), with effect from March 27, 2020 upon transfer of 99.99% shareholding in the Bank, from Global Telecom Holdings (GTH), being a transfer of control between entities held under common control. The transfer has been registered with SBP whereas the registration with SECP is completed on July 3, 2020. The Ultimate Parent of the Bank is Veon Limited.

The Bank's principal business is to provide microfinance banking and related services to the poor and under served segment of the society under the Microfinance Institution Ordinance, 2001. The Bank is also offering Branchless Banking Services through an agency agreement with Pakistan Mobile Communications Limited (PMCL), a related party, under the Branchless Banking license from the SBP.

The Pakistan Credit Rating Agency Limited (PACRA) assigned the long-term rating of the Bank at "A" and short term rating at "A1" on April 30, 2021.

2 BASIS OF PRESENTATION

These financial statements have been prepared in compliance with the format as prescribed under the Banking Surveillance Department (BSD) Circular No. 11 dated December 30, 2003 issued by the State Bank of Pakistan (SBP).

3 STATEMENT OF COMPLIANCE

3.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Microfinance Institutions Ordinance, 2001 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) (including Prudential Regulations of Microfinance Banks) and the Securities and Exchange Commission of Pakistan (SECP).

Wherever the provisions of and directives issued under the Microfinance Institution Ordinance, 2001, the Companies Act, 2017, the Prudential Regulations of Microfinance Banks and the directives issued by the SBP and SECP differ with the requirements of IFRS, the provisions of and directives issued under the Microfinance Institution Ordinance, 2001, the Companies Act, 2017, the Prudential Regulations of Microfinance Banks and the directives issued by the SBP and SECP shall prevail.

The State Bank of Pakistan, vide SBP BPRD circular no. 24, dated July 05, 2021, deferred the applicability of IFRS-9 'Financial Instruments' till annual periods beginning on or after January 01, 2022. Previously the application of IAS 39 'Financial Instruments Recognition and Measurement' and IAS 40 'Investment Property' were also deferred by SBP. According to the notification of the SECP issued vide SRO 411(1)/2008 dated April 28, 2008, IFRS 7, Financial Instruments: Disclosures has not been made applicable for banks. 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 of various circulars issued by the SBP.

4 BASIS OF MEASUREMENT

The financial statements are prepared under the historical cost convention except:

- Investments classified as held-for-trading and available-for-sale are measured at fair value.
- Right of use asset and lease liability initially measured at their present values.
- Obligation in respect of defined benefit plan at their present values.

4.1 Functional and presentation currency

These financial statements are presented in Pakistani Rupee (PKR), which is the Bank's functional currency.

4.2 Significant accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions

The assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are described below:

The Bank based its assumptions and estimates on the parameters under which these financial statements were prepared.

Existing circumstances and assumptions about the future development may change due to market changes or circumstances arising that are beyond the control of the Bank. Such changes are reflected in the assumptions when they occur.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have significant effect on the amounts recognized in the financial statements relates to valuation and impairment of investments, advances, determination of useful lives of depreciable assets and intangible assets, provision for income taxes and other provisions which are discussed in following paragraphs:

a) Impairment of investments

Impairment in the value of investments is made after considering objective evidence of impairment. Provision for diminution in the value of investments is made as per the Regulations issued by SBP.

b) Provision against advances

The Bank reviews its micro credit loan portfolio to assess amount of non-performing advances and provision required there against on regular basis. While assessing this requirement, the Regulations of SBP are taken into consideration.

c) Taxation

The Bank takes into account the current income tax law and decisions taken by the taxation authorities. Those amounts are shown as contingent liabilities wherein, the Bank's views differ from the views taken by the taxation authorities at the assessment stage and where the Bank considers that its view on items of material nature is in accordance with law.

d) Operating fixed assets / intangible assets / useful life

Estimates of residual values and useful lives of operating fixed assets and intangible assets are reassessed annually and any change in estimate is taken into account in the determination of depreciation / amortization charge and impairment loss. Changes in estimates are accounted for over the estimated remaining useful life of the assets.

e) Impairment of financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events would have a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognized in profit and loss account.

f) Lease term and effective interest rate for recognition of lease contracts

The Bank determines the lease term as the non cancellable period of lease, together with periods covered by an option to extend and terminate the lease, if the Bank is reasonably certain to exercise that option at the time of entering the contract. Further, the Bank uses incremental borrowing rate to discount the lease payments to measure lease liability at the time of entering the contract.

g) Defined benefit plan

Defined benefit plan is provided for permanent employees of the Bank. Calculations in this respect require assumptions to be made of future outcomes, the principal ones being in respect of mortality rate, withdrawal rate, increase in remuneration and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

5 SIGNIFICANT ACCOUNTING POLICIES

5.1 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balance with SBP/ National Bank of Pakistan (NBP) and other banks/ Non-Banking Financial Institutions (NBFIs)/ Microfinance Banks (MFBs) and highly liquid investments that are readily convertible to known amounts of cash, are subject to only an insignificant risk of changes in value and have an maturity of less than three months from the date of acquisition.

5.2 Investment

All purchases and sale of investments are recognized using settlement date accounting. Settlement date is the date on which investments are delivered to or by the Bank. All investments are derecognized when the right to receive economic benefits from the investments has expired or has been transferred or the Bank has transferred substantially all the risks and rewards of ownership.

Investments of the Bank are classified into the following categories:

a) Held for trading

These represent securities acquired with the intention to trade by taking advantage of short-term market / interest rate movements. These securities are disposed off within 90 days from the date of their acquisition. These are marked to market and surplus / deficit arising on revaluation of 'held for trading' investments is taken to profit and loss account in accordance with the requirements prescribed by SBP.

b) Held to maturity

Investments with fixed maturity, where management has both the intention and the ability to hold to maturity, are classified as held to maturity. Subsequent to initial recognition at cost, these investments are measured at amortized cost, less provision for impairment in value, if any. Amortized cost is calculated taking into account effective interest rate method. Profit on held to maturity investments is recognized on a time proportion basis taking into account the effective yield on the investments.

Premium or discount on acquisition of held to maturity investments is amortized through profit and loss account over the remaining period till maturity.

c) Available-for-sale

Investments which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices are classified as available for sale. Available-for-sale investments are initially recognized at cost and subsequently measured at fair value. Profit on available-for-sale investments is recognized on a time proportion basis taking into account the effective yield on the investments.

The surplus / (deficit) arising on revaluation of available for sale investments is kept in "surplus / (deficit) on revaluation of assets" through statement of comprehensive income. The surplus / (deficit) arising on these investments is taken to profit and loss account, when actually realized upon disposal of the investment.

Impairment assessment of AFS investments is carried out as per the requirements of the Prudential Regulations and directives issued by SBP. T Bill, being a sovereign investment, are not considered for impairment under current applicable financial reporting framework.

5.3 Advances

Advances are stated net of general and specific provision. The outstanding principal and mark-up of the loans and advances, payments against which are overdue for 30 days or more are classified as non-performing loans (NPLs). The unrealized interest / profit / markup / service charges on NPLs is suspended and credited to interest suspense account. Further the NPLs are divided into following categories:

a) Other assets especially mentioned

These are advances in arrears (payments / instalments overdue) for 30 days or more but less than 60 days.

b) Substandard

These are advances in arrears (payments / instalments overdue) for 60 days or more but less than 90 days.

c) Doubtful

These are advances in arrears (payments / instalments overdue) for 90 days or more but less than 180 days.

d) Loss

These are advances in arrears (payments / instalments overdue) for 180 days or more.

In addition the Bank maintains a Watch List of all accounts overdue for 5-29 days. However, such accounts are not treated as non-performing for the purpose of classification / provisioning.

In accordance with the Regulations, the Bank maintains specific provision of outstanding principal net of cash collaterals and Gold (ornaments and bullion) realizable without recourse to a Court of Law at the following rates:

Other assets especially mentioned	Nil
Substandard	25% of outstanding principal net of cash and gold collaterals
Doubtful	50% of outstanding principal net of cash and gold collaterals
Loss	100% of outstanding principal net of cash and gold collaterals

In addition to above, a general provision is made equivalent to 2% (2020: 2%) of the net outstanding balance (advances net of specific provisions) against the requirement of 1% specified under the Prudential Regulations issued by the State Bank of Pakistan.

General and specific provisions are charged to the profit and loss account in the period in which they occur.

Non-performing advances are written off one month after the loan is classified as "Loss". However, the Bank continues its efforts for recovery of the written off balances.

5.4 Operating fixed assets

a) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling and removing the items and restoring on which they are located, if any.

Depreciation is charged on the straight line method at rates specified in note 12.2 to the financial statements, so as to write off the cost of assets over their estimated useful lives.

Full month's depreciation is charged in the month of addition while no depreciation is charged in the month of deletion.

Subsequent costs are included in the assets carrying amount when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. Carrying amount of the replaced part is derecognized. All other repair and maintenance are charged to profit and loss during the year.

Gains or losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amounts. Gains are recognized within "other income" while losses are recognized in administrative expenses in the profit and loss account.

b) Capital work-in-progress

Capital work-in-progress is stated at cost less impairment losses, if any.

c) Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the Bank and that the cost of such asset can also be measured reliably. These are stated at cost less accumulated amortization and impairment losses, if any.

Intangible assets comprise of computer software and related applications. Intangible assets are amortized over their estimated useful lives at rate specified in note 12.3 to the financial statements. Subsequent expenditure is capitalized only when it increases the future economic benefit embodied in the specific asset to which it relates. All other expenditure is recognized in profit and loss account as incurred.

5.5 Inventory

Inventory consists of printed cards and other stationary. Inventory is valued at the lower of cost and net realizable value less allowance for obsolete items. Cost is determined on the weighted average basis and comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition.

5.6 Deposits

Deposits are initially recorded at the amount received. Markup accrued on deposits, if any, is recognized separately as part of other liabilities and is charged to the profit and loss account over the period.

5.7 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity or below equity/ other comprehensive income in which case it is recognized in equity or below equity/ other comprehensive income.

Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

a) Current

Current tax is the tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, taking into account tax credits, rebates and tax losses, if any, and any adjustment to tax payable in respect of previous years.

b) Deferred

Deferred tax is accounted for on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. At each balance sheet date, the bank reassesses the carrying amount and the unrecognized amount of deferred tax assets.

Deferred tax assets and liabilities are calculated at the rate that are expected to apply for the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantially enacted till the balance sheet date. Deferred tax, on revaluation of investments, if any, is recognized as an adjustment to surplus / (deficit) arising on such revaluation.

5.8 Staff retirement benefits

a) Defined contribution plan

The Bank participates in a defined contribution provident fund for its eligible employees. Monthly contributions are made by the Bank and its employees at the rate of 10% of basic salary. The Bank's obligation for contribution to the provident fund scheme is recognized in the profit and loss, as incurred.

b) Defined benefit plan

The Bank operates defined benefit plan comprising an unfunded gratuity scheme covering all eligible employees completing the minimum qualifying period of service (three years) as specified by the scheme. The Scheme was commenced on July 01, 2021.

The calculation of defined benefit liability is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. The Bank determines the net interest expense on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit and loss account and any gain / loss on remeasurement of defined benefit liability is recognized net of tax in other comprehensive income.

5.9 Reserves

a) Statutory reserve

In compliance with the related regulatory requirements, the Bank is required to maintain statutory reserve to which an appropriation equivalent to 20% of the profit after tax is required to be made till such time the reserve fund equals the paid up capital of the Bank. However, thereafter, the contribution is to be reduced to 5% of the profit after tax.

b) Depositor's protection fund

The Bank is required under the Microfinance Institutions Ordinance, 2001, to contribute 5% of annual after tax profit and profit earned on investments of the fund to be credited to depositors protection fund for the purpose of providing security or guarantee to persons depositing money in the Bank.

c) Cash reserve requirement

In compliance with the related regulatory requirements, the Bank is required to maintain a cash reserve equivalent to not less than 5% of its deposits (including demand deposits and time deposits with tenor of less than 1 year) in a current account opened with the State Bank or its agent.

d) Statutory liquidity requirement

In compliance with the related regulatory requirements, the Bank is required to maintain liquidity equivalent to at least 10% of its total demand liabilities and time liabilities with tenor of less than one year in form of liquid assets i.e. cash, gold, unencumbered treasury bills, Pakistan Investment Bonds and Government of Pakistan Sukuk bonds. Treasury bills and Pakistan Investment Bonds held under Depositor Protection Fund are excluded for the purpose of determining liquidity.

5.10 Provisions

A provision is recognized when, and only when, the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.11 Contract liability

The contract liabilities of the Bank comprises of advance payments received from customers in respect of which services are yet to be rendered by the Bank.

5.12 Foreign currency transactions

The financial statements are presented in Pakistani Rupee, which is the Bank's functional currency. Transactions in foreign currencies are translated into Pak Rupee at exchange rate on the date of transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of exchange approximating those ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss account.

5.13 Revenue recognition

a) Markup / income on advances

Markup / income / return / service charges on advances is recognized on accrual / time proportion basis using effective interest rate method at the Bank's prevailing interest rates for the loan products. Markup/ income on advances is collected with loan instalments. Due but unpaid service charges / income are accrued on overdue advances for period up to 30 days. After 30 days, overdue advances are classified as non-performing and recognition of unpaid service charges / income ceases. Further, accrued markup on non-performing advances are reversed and credited to suspense account. Subsequently, markup recoverable on non-performing advances is recognized on a receipt basis in accordance with the requirements of the Regulations.

b) Income from investments

Markup / income on investments is recognized on accrual / time proportion basis or the effective interest method where applicable. Where debt securities are purchased at premium or discount, those premiums / discounts are amortized through profit and loss account over the remaining period of maturity.

c) Fee, commission and brokerage income

Fee, commission and brokerage income is recognized in the profit and loss account to the extent of services rendered. Any advance payments received from customers for which services are yet to be rendered by the Bank, are recognized as contract liability in the financial statements.

d) Income from inter bank deposits

Income from inter bank deposits in saving accounts is recognized in the profit and loss account as it accrues using the effective interest method.

e) Dividend income

Dividend income is recognized when the Bank's right to receive the dividend is established.

f) Gain / loss on sale of operating fixed assets

Gain on sale of operating fixed assets are recognized under other income in the profit and loss account.

Loss on sale of operating fixed assets are recognized under administrative expenses in the profit and loss account.

g) Gain / loss on sale of investments

Gains and losses on sale of investments are recognized in the profit and loss account.

5.14 Financial instruments

Financial assets and liabilities are recognized when the Bank becomes a party to the contractual provisions of the instrument. These are derecognized when the Bank ceases to be the party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or historical cost, as the case may be.

a) Financial assets

Financial assets are cash and balances with SBP and NBP, balances with other banks/NBFIs/MFBs, lending to financial institutions, investments, advances and other assets. Advances are stated at their nominal value as reduced by appropriate provisions against non-performing advances, while other financial assets excluding investments are stated at cost. Investments classified as held for trading and available for sale are valued at year end prices and investments classified as held to maturity are stated at amortized cost.

b) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangement entered into. Financial liabilities include deposit and other accounts and other liabilities which are stated at their nominal value. Financial charges are accounted for on accrual basis.

Any gain or loss on the recognition and derecognition of the financial assets and liabilities is included in the profit and loss for the year in which it arises.

5.15 Off-setting

Financial assets and financial liabilities and tax assets and tax liabilities are only off-set and the net amount is reported in the financial statements when there is a legally enforceable right to set off the recognized amount and the Bank intends either to settle on net basis or to realize the assets and to settle the liabilities simultaneously. Income and expense items of such assets and liabilities are also off-set and the net amount is reported in the financial statements.

5.16 Borrowing costs

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs relate to the acquisition, construction or production of a qualifying asset in which case such costs are capitalized as part of the cost of that asset. Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent these are regarded as an adjustment to borrowing costs.



5.17 Markup bearing borrowings

Markup bearing borrowings are recognized initially at cost being the fair value of consideration received, less attributable transaction costs. Subsequent to initial recognition markup bearing borrowings are stated at original cost less subsequent repayments.

5.18 Grants

The grant related to an asset is recognized in the balance sheet initially as deferred income when grant is received or there is reasonable assurance that it will be received and that the Bank will comply with the conditions attached to it. Grants that compensate the Bank for expenses incurred are recognized as revenue in the profit and loss account on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Bank for the cost of an asset are recognized in the profit and loss account as other operating income on a systematic basis over the useful life of the asset.

5.19 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the year. Diluted EPS, if any is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. There were no dilutive potential ordinary shares in issue at December 31, 2021 (2020: nil).

5.20 Right-of-use assets and their related lease liability**Right-of-use assets**

On initial recognition, right-of-use assets are measured at an amount equal to initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use assets are subsequently stated at cost less any accumulated depreciation and accumulated impairment losses and are adjusted for any remeasurement of lease liability. The remeasurement of lease liability will only occur in cases where the terms of the lease are changed during the lease tenor.

Right-of-use assets are depreciated over their expected useful lives using the straight-line method. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

Lease liability against right-of-use assets

The lease liabilities are initially measured as the present value of the remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Bank's incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The Lease liability is also remeasured to reflect any reassessment or change in lease terms. These remeasurements of lease liabilities are recognized as adjustments to the carrying amount of related right-of-use assets after the date of initial recognition.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the profit and loss account as markup expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

6 AMENDMENTS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS THAT ARE EFFECTIVE IN THE CURRENT YEAR

Following amendments to existing standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2020 but are considered not to be either relevant or not have any significant impact on these financial statements:

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - These amendments had no impact on the financial statements of the Bank

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16 - These amendments had no impact on the financial statements of the Bank

7 AMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following standards, amendments and interpretations with respect to the approved accounting standards, as applicable in Pakistan, would be effective from the dates mentioned below and have not been adopted early by the Bank:

Standard and IFRIC	Effective date (annual periods beginning on or after)
IFRS 3 Business Combinations – The amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	'January 01, 2022
IAS 16 'Property, plant and equipment – Amendment to clarify the prohibition on an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.	January 01, 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.	January 01, 2022
IAS 1 and IFRS Practice Statement Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 - The amendments aim to help entities provide accounting policy disclosures that are more useful by: - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.	January 01, 2023
IAS 8 Definition of Accounting Estimates - Amendments to IAS 8 - The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.	January 01, 2023
IAS 1 Classification of liabilities as current or non-current (Amendments to IAS 1)	January 01, 2023
IFRS 10 Consolidated Financial Statements & Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – (Amendment)	Not yet finalized

As per BPRD Circular No. 24 of 2021 dated July 05, 2021 of SBP, effective date of IFRS 9 implementation is January 01, 2022. The standard has introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'expected credit losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL approach has an impact on all assets of the Bank which are exposed to credit risk. The Bank is in the process of assessing the full impact of this standard and the Bank awaits final guidelines from SBP for application of some aspects of IFRS 9.



In addition to the above new standards (other than IFRS 9) and amendments to standards, improvements to various accounting standards (under the annual improvements 2018 - 2020 cycle) have also been issued by the IASB in May 2020. Such improvements are generally effective for accounting periods beginning on or after January 01, 2022.

The Bank expects that the adoption of the above improvements to the standards will have no material effect on the Bank's financial statements, in the period of initial application.

Further, the following new standards have been issued by the IASB, which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard	Effective Date
IFRS 1 First-time Adoption of International Financial Reporting Standards	January 1, 2004
IFRS 17 Insurance Contracts	January 1, 2023

The Bank expects that the adoption of the above standards will have no material effect on the Bank's financial statements, in the period of initial application.



		December 31, 2021	December 31, 2020
		----- Rupees -----	
8 CASH AND BALANCES WITH SBP AND NBP	Note		
Cash in hand - Local currency		816,788,618	775,854,032
Balance with State Bank of Pakistan (SBP)	8.1	3,801,139,847	2,781,538,762
Balance with National Bank of Pakistan (NBP)			
- Current accounts		118,037,070	116,755,916
		4,735,965,535	3,674,148,710

- 8.1** This includes balance held with SBP in a current account to comply with the requirement of maintaining minimum balance equivalent to 5% (December 31, 2020: 5%) of the Bank's demand deposits and time deposits with tenor of less than one year.

		December 31, 2021	December 31, 2020
		----- Rupees -----	
9 BALANCES WITH OTHER BANKS	Note		
In Pakistan			
- on current accounts - Local currency		154,708,826	6,465,697
- on saving accounts - Local currency	9.1	2,863,152,009	5,418,878,407
- on term deposits accounts - Local currency	9.2	222,750,000	-
		3,240,610,835	5,425,344,104

- 9.1** These carry markup ranging from 5.50% to 9.25% (December 31, 2020: 5.50% to 13.80%) per annum.

- 9.2** These carry markup ranging from 7.5% to 8.1% (December 31, 2020: 13.50% to 14.08%) per annum.

		December 31, 2021	December 31, 2020
		----- Rupees -----	
10 INVESTMENTS	Note		
Available for sale			
Federal Government Securities			
Market Treasury Bills	10.1	13,168,003,173	12,072,548,477
Mutual Funds		103,148,764	-
(Deficit) / surplus on revaluation of available for sale investments	10.2	(5,189,029)	1,336,884
		13,265,962,908	12,073,885,361

- 10.1** These represent securities with maturity period of up to three months. Investment made during the year carry markup at the rates ranging between 7.10% to 10.49% (December 31, 2020: 6.29% to 13.42%) per annum. These also include securities with maturity period of up to three months held for the purposes of Depositors' Protection Fund.

- 10.2** In accordance with R-11C of the Prudential Regulations, available for sale securities have been valued on mark-to-market basis and the resulting surplus / (deficit) is kept in a separate account titled 'surplus / (deficit) on revaluation of investments' and is charged through statement of comprehensive income in accordance with the R-11 (c) "Treatment of surplus / (deficit)" of the Prudential Regulations.

11	ADVANCES - NET OF PROVISIONS	Note	December 31, 2021		December 31, 2020	
			Number of loans outstanding	Amount of loans outstanding	Number of loans outstanding	Amount of loans outstanding
			Number	Rupees	Number	Rupees
	Micro credit					
	-Secured against gold		77,769	14,632,223,900	50,636	7,954,290,304
	-Unsecured		1,941,518	23,737,608,912	709,576	16,624,499,457
			<u>2,019,287</u>	<u>38,369,832,812</u>	<u>760,212</u>	<u>24,578,789,761</u>
	Less:					
	Specific provision	11.1	<u>774,432</u>	<u>440,393,866</u>	<u>97,669</u>	<u>22,810,309</u>
	General provision	11.2		<u>465,944,235</u>		<u>332,240,501</u>
				<u>906,338,101</u>		<u>355,050,810</u>
	Advances - net of provisions			<u>37,463,494,711</u>		<u>24,223,738,951</u>

11.1 Particulars of non-performing advances

Advances include Rs 1,247 million (2020: Rs 68.5 million) which as detailed below, have been placed under non performing status. Further, the below provision also includes impact of SBP AC and MFD circular letter number 1 of 2021, under this circular the bank provided 30 days relief in classification of loan of eligible borrowers.

Category of classification	December 31, 2021			December 31, 2020		
	Amount outstanding	Provision required	Provision held	Amount outstanding	Provision required	Provision held
	----- Rupees -----					
OAEM	387,663,044	-	-	25,096,685	-	-
Substandard	228,795,486	57,198,872	57,198,872	11,759,784	2,939,946	2,939,946
Doubtful	494,384,091	247,192,046	247,192,046	23,527,459	11,763,730	11,763,730
Loss	136,006,266	136,006,266	136,006,266	8,106,633	8,106,633	8,106,633
	<u>1,246,848,887</u>	<u>440,397,184</u>	<u>440,397,184</u>	<u>68,490,561</u>	<u>22,810,309</u>	<u>22,810,309</u>

- 11.2 This represents general provision maintained against unsecured microcredit advances net of specific provision at the rate of 2 % (2020: 2%) against the requirement of 1% specified under the Prudential Regulations issued by the State Bank of Pakistan.

11.3 Particulars of provision against non-performing advances -net

	December 31, 2021			December 31, 2020		
	Specific	General	Total	Specific	General	Total
	----- Rupees -----					
Opening balance	22,810,309	332,240,501	355,050,810	217,592,687	247,312,237	464,904,924
Charge for the year - net	854,181,059	133,700,416	987,881,475	117,527,312	84,928,264	202,455,576
Amounts written-off	(436,597,502)	3,318	(436,594,184)	(312,309,690)	-	(312,309,690)
	417,583,557	133,703,734	551,287,291	(194,782,378)	84,928,264	(109,854,114)
Closing balance	440,393,866	465,944,235	906,338,101	22,810,309	332,240,501	355,050,810

11.4 Particulars of write offs

	December 31, 2021	December 31, 2020
	----- Rupees -----	
Against provisions	436,597,502	312,309,690
Directly charged to profit and loss account	-	-
	436,597,502	312,309,690

- 11.5** The SBP has advised vide circular letter No. 1 of 2020 dated March 26, 2020 to provide regulatory relief to borrowers to dampen the effect of COVID-19 for microfinance borrowers who were regular as on February 15, 2020 and subsequently vide circular no AC&MFD Circular Letter No. 7 dated August 10, 2020 has extended the eligibility of regular borrowers with effect from December 31, 2019. Accordingly, pursuant to the regulatory relief given by SBP and as per the Bank's internal policy, the Bank has restructured / deferred certain amount of loans. As at December 31, 2021, total outstanding balance of rescheduled / deferred portfolio is Rs.7,587 million.

		31 December 2021 (Rupees)		31 December 2020 (Rupees)							
12	OPERATING FIXED ASSETS										
	Capital Work in progress - note 12.1	74,345,755		296,729,971							
	Property and equipment - note 12.2	1,639,204,149		1,171,860,300							
	Intangible assets - note 12.3	411,662,559		391,416,067							
		2,125,212,463		1,860,006,338							
12.1	Capital Work in progress										
	Civil works	18,005,569		101,557,523							
	Equipment	-		98,380,655							
	Advances to suppliers and contractors	56,340,186		96,791,793							
		74,345,755		296,729,971							
12.2	Property and equipment										
		Cost		Depreciation		Net book value					
		At January, 01	Additions	Disposals/ write offs	At December, 31	At January, 01	Charge for the year	Disposals/ write offs	At December, 31	At December, 31	Rate per annum %age
2021		Rupees		Rupees		Rupees		Rupees			
	Leased assets										
	Right of use asset	818,336,006	185,019,830	-	1,003,355,836	199,917,309	132,491,114	-	332,408,423	670,947,413	10-20%
	Owned assets										
	Furniture and fixture	143,953,719	56,538,291	(291,926)	200,200,084	94,245,122	25,706,596	(291,926)	119,659,792	80,540,292	20%
	Electrical, office and computer equipment	930,772,104	312,338,834	(5,027,400)	1,238,083,538	530,208,025	151,103,396	(4,835,904)	676,475,517	561,608,021	10-33%
	Vehicles	90,336,124	102,061,484	(14,137,627)	178,259,981	54,040,646	25,181,635	(10,630,476)	68,591,805	109,668,176	25%
	Leasehold improvements	168,956,264	172,499,013	(38,700)	341,416,577	102,082,815	22,921,196	(27,681)	124,976,330	216,440,247	10%
		2,152,354,217	828,457,452	(19,495,653)	2,961,316,016	980,493,917	357,403,937	(15,785,987)	1,322,111,867	1,639,204,149	
2020											
	Leased assets										
	Right of use asset	552,478,146	265,857,860	-	818,336,006	90,776,884	109,140,425	-	199,917,309	618,418,697	10-20%
	Owned assets										
	Furniture and fixture	122,426,655	21,527,064	-	143,953,719	73,863,619	20,381,503	-	94,245,122	49,708,597	20%
	Electrical, office and computer equipment	659,863,929	273,015,425	(2,107,250)	930,772,104	404,819,768	127,413,511	(2,025,254)	530,208,025	400,564,079	10-33%
	Vehicles	76,758,831	13,577,293	-	90,336,124	33,399,477	20,641,169	-	54,040,646	36,295,478	25%
	Leasehold improvements	137,615,308	31,340,956	-	168,956,264	71,461,009	30,621,806	-	102,082,815	66,873,449	25%
		1,549,142,869	605,318,598	(2,107,250)	2,152,354,217	674,320,757	308,198,414	(2,025,254)	980,493,917	1,171,860,300	

12.2.1 As required by BSD Circular No 11 of 2003, details of property and equipment disposed off during the year is disclosed in Annexure-I and forms integral part of these financial statements.

12.2.2 In current year, based on current experience of utilization, the Bank has revised the useful life of its leasehold improvements from 4 years to 10 years. Had there been no revision, the depreciation charged for the year would have been higher by Rs. 32 million. In future periods, up to the end of original life of these items of leasehold improvements, the depreciation charged would also be lower; resulting in higher charge over the remaining revised useful life.

12.3 Intangible assets

	Cost				Amortization				Net book value	
	At January 01	Additions	Disposals/ write offs/Adjustment	At December 31	At January 01	Charge for the year	Disposals/ write offs/Adjustment	At December 31	At December 31	Rate per annum
	----- Rupees -----				----- Rupees -----					%age
December 31, 2021										
Software and License	869,258,284	228,245,398	(72,805,086)	1,024,698,596	477,842,217	135,193,820	-	613,036,037	411,662,559	10-33%
	<u>869,258,284</u>	<u>228,245,398</u>	<u>(72,805,086)</u>	<u>1,024,698,596</u>	<u>477,842,217</u>	<u>135,193,820</u>	<u>-</u>	<u>613,036,037</u>	<u>411,662,559</u>	
December 31, 2020										
Software and License	472,412,989	396,845,295	-	869,258,284	245,179,318	232,662,899	-	477,842,217	391,416,067	10-33%
	<u>472,412,989</u>	<u>396,845,295</u>	<u>-</u>	<u>869,258,284</u>	<u>245,179,318</u>	<u>232,662,899</u>	<u>-</u>	<u>477,842,217</u>	<u>391,416,067</u>	

		December 31, 2021	December 31, 2020
	Note	----- Rupees -----	
13 OTHER ASSETS			
Income / markup accrued		6,806,142,993	4,461,564,125
Advances, deposits and prepayments		199,955,574	250,993,243
Advance taxation - net	17.2	-	127,593,169
Receivable from related parties	13.1	210,396,042	3,063,720,809
ATM cards / printed stationary		140,871,876	25,435,542
Crop and livestock insurance claims	13.2	244,583,127	265,823,200
Others		320,344,229	430,807,600
		7,922,293,841	8,625,937,688

13.1 Receivable from related parties

Pakistan Mobile Communications Limited (PMCL)	210,396,042	3,063,720,809
-----------------------------------------------	--------------------	---------------

13.2 This represents claims for the amount of insurance premiums lodged / to be lodged with SBP under crop loan insurance scheme and livestock insurance scheme for borrowers of the Bank.

	December 31, 2021	December 31, 2020
	----- Rupees -----	
14 DEFERRED TAX ASSET		
Arising in respect of following deductible temporary differences		
Provision against non-performing advances	262,838,049	102,964,736
Provision for gratuity	7,018,660	925,873
Other provision	116,636,920	-
Lease liability net of right of use assets	12,631,369	10,556,301
deficit on revaluation of available for sale investments	1,504,818	-
	400,629,817	114,446,910
Operating fixed assets	4,657,353	5,807,193
Surplus on revaluation of available for sale investments	-	(387,696)
	4,657,353	5,419,497
	405,287,170	119,866,407

	December 31, 2021		December 31, 2020	
	Number	---- Rupees ----	Number	---- Rupees ----
15 DEPOSITS AND OTHER ACCOUNTS				
Time liabilities				
Fixed deposits	1,071	9,952,032,819	378	10,240,596,621
Demand Liabilities				
Saving deposits	44,570	10,078,010,509	41,611	4,929,589,568
Current deposits	520,727	2,910,951,210	415,485	2,205,914,379
Branchless deposits				
Saving	521,586	3,346,151,344	311,511	2,623,515,229
Current	38,693,565	32,371,251,314	27,923,298	26,807,210,947
	39,780,448	48,706,364,377	28,691,905	36,566,230,123
	39,781,519	58,658,397,196	28,692,283	46,806,826,744

15.1 Particulars of deposits by ownership

	December 31, 2021		December 31, 2020	
	Number	---- Rupees ----	Number	---- Rupees ----
Individual depositors	39,389,229	35,534,332,053	28,587,760	29,839,328,116
Institutional depositors:				
Corporations/ firms	707	9,081,355,172	1,094	6,513,393,147
Banks and financial institutions	58	8,438,239,637	89	7,430,911,801
Others	391,525	5,604,470,334	103,340	3,023,193,680
	39,781,519	58,658,397,196	28,692,283	46,806,826,744

15.2 Deposits include related parties balance amounting to Rs 0.187 million (2020:Rs 119 million) as disclosed in note 35.

16 BORROWINGS

The Bank has un-availed borrowing facilities from two financial institutions at following terms:

a) 1 year renewable running finance facility of Rs 500 million expiring on July 31, 2022 and having interest rate of 1 month Kibor + 0.85%.

b) The Bank has 1 year renewable running finance facility of Rs 1,000 million expiring on July 31, 2022 and having interest rate at 3 months Kibor + 0.85%.

	Note	December 31, 2021	December 31, 2020
		----- Rupees -----	
17 OTHER LIABILITIES			
Mark-up/ return/ interest payable on deposits		265,187,255	269,925,877
Bills payable		261,060,488	241,480,726
Accrued expenses		950,059,785	468,781,142
Payable to related parties	17.1	278,122,160	223,769,081
Tax payable	17.2	112,824,529	-
Defined benefit obligation	31.3	24,202,276	-
Taxes and levies withheld		234,531,648	165,250,088
Payable to suppliers		493,295,520	354,443,586
Bills collected for settlement through NADRA		236,605,322	-
Lease liability on right of use assets	17.3	714,503,858	591,259,852
Remittances		567,693,510	284,408,140
Others		221,519,269	1,192,657,281
		4,359,605,620	3,791,975,773

17.1 Payable to related parties

Pakistan Mobile Communication Limited (PMCL)	278,122,160	221,286,958
Oracap - Global Telecom Holdings (GTH)	-	2,482,123
	278,122,160	223,769,081

17.2 Tax payable

Opening balance	127,593,169	3,116,794
Tax paid	368,305,451	318,774,409
Provision for taxation	(608,723,149)	(194,298,034)
Closing balance	(112,824,529)	127,593,169

17.3 Lease liability on right of use asset

Lease liability as at January 1	591,259,852	431,736,954
Additions during the year	185,019,830	265,857,860
Accretion of interest	95,992,031	56,726,013
Payment of lease liability during the year	(157,767,855)	(163,060,975)
As at December 31	714,503,858	591,259,852

18 SHARE CAPITAL**Authorized capital**

2021	2020
Numbers	Numbers

December 31,
2021

December 31,
2020

----- Rupees -----

300,000,000 300,000,000 Ordinary shares of Rs. 10 each.

3,000,000,000

3,000,000,000

Issued, subscribed and paid-up capital

Ordinary shares

271,359,683 271,359,683 Fully paid in cash of Rs. 10 each.

2,713,596,830

2,713,596,830

- 18.1** Veon Microfinance Holdings B.V (VMH) is the holding company controlling 271,359,678 i.e. 99.99% shares (December 31, 2020: 271,359,678 i.e. 99.99%).

December 31,
2021

December 31,
2020

----- Rupees -----

19 (DEFICIT) / SURPLUS ON REVALUATION OF ASSETS - NET

Available for sale investments

(5,189,029)

1,336,884

Related deferred tax

1,504,818

(387,696)

(3,684,211)

949,188

20 MEMORANDUM / OFF BALANCE SHEET ITEMS**20.1 Contingencies**

There are no material contingencies as at year end (December 31, 2020: Nil).

December 31,
2021

December 31,
2020

----- Rupees -----

20.2 Commitments

Note

Operating fixed assets

43,887,072

115,081,631

Bank guarantee

20.3

330,000,000

110,000,000

Standby letter of guarantee

20.4

59,250,000

42,125,000

433,137,072

267,206,631

- 20.3** This represents Bank guarantees issued by the Bank to Pakistan Railway amounting to Rs.110 million against the online payment processing services and Social Protection Strategy Unit Government of Sindh amounting to Rs.220 million against disbursement of fund to CNIC under Health and Nutrition Conditional Cash Transfer (H&N CCT) program.

- 20.4** This represents letter of guarantee issued by the Bank to Visa and Master card International Service Association for interbank settlement.

December 31,
2021

December 31,
2020

----- Rupees -----

Note

21 MARKUP/RETURN/INTEREST EARNED

Mark-up on advances

21.1

9,935,154,420

5,639,637,808

Income on investment in Government Securities

829,454,741

924,570,009

Mark-up on deposit accounts with treasury and other banks

317,131,726

494,591,186

11,081,740,887

7,058,799,003

- 21.1** This includes markup income on nano loans amounting to Rs. 2,185 million (2020 : 375.811 million)

22 MARK-UP/RETURN/INTEREST EXPENSED

	Note	December 31, 2021	December 31, 2020
		----- Rupees -----	
Interest on deposits	22.1	1,600,964,698	1,599,278,571
Interest on borrowings		53,761	-
Finance cost of lease liability on right of use assets		95,992,031	56,726,013
		<u>1,697,010,490</u>	<u>1,656,004,584</u>

- 22.1** Mark-up expense on deposits includes amount of Rs 2.6 million (2020: Rs 52 million) in respect of deposit balances of a related party as disclosed in note 35.

	Note	December 31, 2021	December 31, 2020
		----- Rupees -----	
23 FEE, COMMISSION AND BROKERAGE INCOME - NET			
(loss) / gain from branchless banking	23.1	(1,087,714,288)	(642,890,907)
Commission from insurance companies		26,922,493	53,041,783
Loan processing fee		629,477,931	416,130,192
Others		63,731,345	14,338,852
		<u>(367,582,519)</u>	<u>(159,380,080)</u>
23.1 (Loss) / income from branchless			
Branchless banking income	23.2	5,479,452,504	4,518,357,049
Commission to retailer / franchisee		(4,689,146,843)	(4,560,487,626)
Commission to a related party - PMCL	23.3	(1,878,019,949)	(224,948,891)
	23.4	<u>(1,087,714,288)</u>	<u>(267,079,468)</u>

- 23.2** This represents the income from branchless banking operations (Jazz cash) carried out by the Bank together with PMCL through agency agreement under SBP Branchless Banking Regulations. As per the agreement, Income from Jazz cash (Net of Agents commission) is shared between the Bank and PMCL in the ratio of 30:70 respectively.

- 23.3** This represents PMCL's share in fee income and expenses at the rate of 70% and 50% share in float.

- 23.4** Markup income related to branchless banking is included in the in markup income on advances and investments.

	December 31, 2021	December 31, 2020
	----- Rupees -----	
24 OTHER INCOME		
Gain on disposal of fixed assets	<u>60,481</u>	<u>38,107</u>

		December 31, 2021	December 31, 2020
	Note	----- Rupees -----	
25 ADMINISTRATIVE EXPENSES			
Salaries, allowances etc.		2,318,205,147	1,749,925,107
Contribution to defined contribution plan		99,658,071	81,316,266
Provision for gratuity		23,975,632	569,157
Non-executive directors' fees, allowances and other expenses		8,200,000	5,000,000
Training / Capacity building		11,842,598	4,552,242
Rent, taxes, insurance, electricity, etc.		330,092,975	228,004,826
Legal and professional charges		59,818,099	34,695,534
Communications		34,673,371	12,500,722
Repair and maintenance - Vehicle		43,224,906	23,453,967
Stationary and printing		127,532,218	125,362,079
Advertisement and publicity		17,671,004	2,054,857
Auditors remuneration	25.1	9,538,669	5,250,000
Depreciation	12.2	357,403,937	308,198,414
Amortization	12.3	135,193,820	232,662,899
Travel and transportation		27,931,194	24,462,470
Repair and maintenance - General		36,094,722	34,051,404
Customer verification charges	25.3	511,616,192	392,568,097
Bank charges		968,389,502	264,677,464
IT equipment and software maintenance		432,983,733	443,888,848
Ready cash expense		678,115,545	43,947,046
Security		129,163,034	104,569,141
Janitorial services		90,037,098	60,021,058
Office supplies		16,530,005	12,189,667
Entertainment		4,939,001	4,695,837
Other projects expenses		58,701,521	57,326,538
Others	25.4	444,818,685	43,623,434
		<u>6,976,350,679</u>	<u>4,299,567,074</u>
25.1 Auditors' remuneration			
Audit fee		2,200,000	2,000,000
Fee for half yearly review		770,000	700,000
Additional fee for annual audit 2020		2,000,000	-
Fee for special audits/certifications	25.2	2,683,000	2,250,000
Out of pocket expenses		661,189	300,000
Sales tax		1,224,480	-
		<u>9,538,669</u>	<u>5,250,000</u>

25.2 This includes fee for audits of financial statements of AJK operations for the year 2021 and for other certifications (Capital adequacy ratio, certification on livestock insurance etc.).

25.3 This includes verification charges of National Database Registration Authority (NADRA) for verisys, eCIB charges and other charges for customer verifications.

25.4 This includes a net financial impact of a reconciliation exercise conducted by management during the year.

		December 31, 2021	December 31, 2020
	Note	----- Rupees -----	
26 OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan	26.1	<u>228,250</u>	<u>35,585</u>

- 26.1 The charge represents the penalties paid to the State Bank of Pakistan (SBP) in respect of certain instances of violations.

	December 31, 2021	December 31, 2020
	----- Rupees -----	
27 TAXATION		
For the year		
Current	608,723,149	194,298,034
Deferred	(284,303,640)	21,905,069
	324,419,509	216,203,103
27.1 Relationship between tax expense and accounting profit		
Profit before taxation	1,056,375,174	746,522,032
Applicable tax rate	29%	29%
	306,348,800	216,491,389
Effect of:		
- Permanent differences	66,193	-
- Income charged at different tax rate	(529,165)	(2,380,330)
- Others	18,534,643	2,092,044
	324,420,471	216,203,103
28 CASH AND CASH EQUIVALENTS		
Cash and balances with SBP and NBP	4,735,965,535	3,674,148,710
Balances with other banks	3,017,860,835	5,425,344,104
Investments (having less than three months maturity)	12,973,818,990	11,926,271,186
	20,727,645,360	21,025,764,000
29 NUMBER OF EMPLOYEES		

	2021			2020		
	Credit / Sales Staff	Banking / Support	Total	Credit / Sales Staff	Banking / Support	Total
At year end						
Permanent	1,250	801	2,051	821	767	1,588
Contractual / temporary	-	-	-	-	17	17
	1,250	801	2,051	821	784	1,605
Average during the year						
Permanent	1,036	784	1,820	822	670	1,492
Contractual / temporary	-	9	9	-	24	24
	1,036	793	1,828	822	694	1,516

30 PROVIDENT FUND TRUST

The provident fund has been established collectively for the employees of Mobilink Microfinance Bank Limited, Pakistan Mobile Communication limited, LINKdotNET Telecom Limited, Business & Communication Systems (Private) Limited, Veon Global Services (Private) Limited and Deodar (Private) Limited.

All the investments out of provident fund trust have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for that purpose.

31 DEFINED BENEFIT PLAN

31.1 General description

As explained in note 5.8 (b) the Bank operates defined benefit plan comprising an unfunded gratuity scheme covering all eligible employees completing the minimum qualifying period of service (three years) as specified by the scheme.

31.2 Principal actuarial assumptions

The latest actuarial valuation of the gratuity scheme was carried out at December 31, 2021. Following are the significant assumptions used in the valuation

		2021	2020
Discount rate		10.5%	-
Rate of growth in salary		10.5%	-
Mortality rates		SLIC 2001-05	-
Average expected remaining life of employees		10 years	-
Average duration of liability		9 years	-
	Note	December 31, 2021	December 31, 2020
		----- Rupees -----	
31.3 Amount recognized in balance sheet			
Present value of defined obligation	31.4	24,202,276	-
31.4 Movement in value of defined benefit obligation			
Balance at January 01		-	-
Service cost		23,975,632	-
Actuarial loss		226,644	-
Present value of defined obligation		24,202,276	-
31.5 Amount recognized in profit or loss			
Service cost		23,975,632	-
31.6 Amount recognized in OCI			
Actuarial losses due to experience adjustments		226,644	-
31.7 Sensitivity Analysis			
Present value of defined benefit obligation			
1% increase in discount rate		22,128,833	-
1% decrease in discount rate		26,469,348	-
1% increase in salary		26,469,998	-
1% decrease in salary		22,129,105	-
32 NUMBER OF BRANCHES/SERVICE CENTRES		2021 (Number)	2020 (Number)
Beginning of the year		100	74
Opened during the year		5	26
Closed / merged during the year		-	-
At the end of the year		105	100

33 REMUNERATION OF DIRECTORS AND EXECUTIVES

	President / Chief Executive		Director		Executives	
	2021	2020	2021	2020	2021	2020
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Fees	-	-	8,200,000	5,000,000	-	-
Managerial remuneration	24,845,458	19,070,832	-	-	407,350,694	287,660,477
Rent and house maintenance	270,000	270,000	-	-	66,927,461	52,544,079
Utilities	2,484,542	1,907,088	-	-	40,547,002	28,808,878
Relocation allowance	-	-	-	-	3,021,000	1,851,201
Conveyance allowance	-	-	-	-	2,662,728	3,602,176
Car allowance	-	-	-	-	43,107,945	29,604,941
Car maintenance	-	-	-	-	5,966,033	4,706,929
Contribution to defined contribution plan	2,484,552	1,907,086	-	-	38,398,979	27,855,951
Gratuity	1,035,227	-	-	-	3,347,294	-
Fuel allowance / reimbursements	-	-	-	-	16,602,854	9,727,864
Sales staff incentive	-	-	-	-	80,764,628	44,341,261
Meal Allowance	-	-	-	-	3,366,969	2,554,252
Transport Allowance	-	-	-	-	-	-
Training compensation	-	-	-	-	-	-
Bonus, Prizes and rewards	11,287,958	9,720,000	-	-	85,518,187	75,406,984
	42,407,737	32,875,006	8,200,000	5,000,000	797,581,774	568,664,993
Number of persons	1	1	2	2	270	205

- a) Executive means any employee whose basic salary exceeds Rs. 500,000 (2020: Rs. 500,000) per year.
- b) The President / Chief Executive Officer is provided with the Bank's owned and maintained car in accordance with their entitlement as per rules of the Bank.

		2021	2020
34 EARNING PER SHARE (RUPEE)			
Profit after taxation - Rupees	A	727,681,465	530,318,929
Weighted average ordinary shares - Numbers	B	271,359,683	271,359,683
Earning per share - Rupees	A/B	2.68	1.95

35 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Bank's Ultimate Parent is Veon Limited (VL). Therefore, all subsidiaries and associated undertakings of VL are related parties of the Bank. Other related parties include directors, key management personnel (KMP) which include CEO and Head of Departments (HOD's) and entities under common directorship. All transactions involving related parties are subject to the approval of the Board of Directors. During the year, no transactions were entered into with the Holding Company and VL by the Bank. Significant transactions with the related parties entered into during the year are as follows:

		December 31, 2021	December 31, 2020
	Relationship with related party	----- Rupees -----	
Transactions during the year:			
Pakistan Mobile Communications Limited (PMCL)	Associated Company		
Payments made for expenses incurred on behalf of PMCL by the Bank		1,098,537,217	585,328,324
Payments made for expenses incurred on behalf of the Bank by PMCL		47,323,210	47,014,641
Payments made against defined contribution plan being employee and employer contributions		148,112,078	123,471,724
Deposits made during the year		10,583,881,813	17,433,359,673
Withdrawals during the year		10,703,575,195	17,910,088,081
Mark-up/ return/ interest expensed to PMCL		2,622,526	52,075,705
Deposit mobilization commission paid		885,997,283	840,963,905
Branchless commission		992,022,666	(616,015,014)

		December 31, 2021	December 31, 2020
		----- Rupees -----	
Employees' Provident Fund Trust			
Bank's contribution paid to the fund		74,056,039	61,596,747
Key Management Personnel			
Remuneration of key management personnel		157,053,805	142,421,955
Balances outstanding:	Relationship with related party		
Receivable from PMCL	Associated Company	210,396,042	3,063,720,809
Payable to PMCL	Associated Company	(278,122,160)	(221,286,958)
Receivable from Business Communication System (Private) Limited	Associated Company	-	209,870
Deposits accounts contain amounts relating to following related parties:			
Pakistan Mobile Communications Limited	Associated Company	187,154	119,880,536
Key Management Personnel	Key Management Personnel	44,819,325	29,272,507
Advances relating to following related parties:			
Key Management Personnel	Key Management Personnel	9,452,348	6,240,098

36 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Bank as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Fair value of unquoted equity investments is determined on the basis of break up value of these investments as per the latest available audited financial statements.

Fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy as stated in note 5.3 to these financial statements.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investment mutual funds

b) Financial instruments in level 2

Financial instruments included in level 2 comprise of investment in market treasury bills.

c) **Financial instruments in level 3**

Currently, no financial instruments are classified in level 3.

The Bank's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer takes place. There were no transfers between levels 1 and 2 during the year.

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP.

	Level 1	Level 2	Level 3
	----- Rupees -----		
December 31, 2021			
Financial assets measured at fair value			
Available for sale investments - Market treasury bills	-	13,163,162,073	-
Available for sale investments - Mutual funds	102,800,835	-	-
	102,800,835	13,163,162,073	-
December 31, 2020			
Financial assets measured at fair value			
Available for sale investments - Market treasury bills	-	12,072,548,477	-

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and inputs used
Market treasury bills	Fair value of investment in market treasury bills is determined based on the rates / prices sourced from Reuters.
Mutual funds	The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

37 MATURITIES OF ASSETS AND LIABILITIES

	Total	Up to one month	Over one month up to six month	Over six month up to one year	Over one year
December 31, 2021	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Market rate assets					
Cash and Balance with SBP and NBP	4,735,965,535	4,735,965,535	-	-	-
Balances with other Banks/NBFIs/MFBs	3,240,610,835	3,017,860,835	222,750,000	-	-
Investments	13,265,962,908	3,096,557,208	10,169,405,700	-	-
Advances	37,463,494,711	3,827,825,082	9,726,297,859	17,426,103,902	6,483,267,868
Total market rate assets	58,706,033,989	14,678,208,660	20,118,453,559	17,426,103,902	6,483,267,868
Other non-earning assets					
Operating fixed assets	2,125,212,463	57,056,429	285,282,145	342,338,573	1,440,535,316
Other assets	7,922,293,841	1,332,514,466	3,865,343,359	2,256,215,171	468,220,845
Deferred tax asset	405,287,170	-	-	-	405,287,170
Total non-earning assets	10,452,793,474	1,389,570,895	4,150,625,504	2,598,553,744	2,314,043,331
Total assets	69,158,827,463	16,067,779,555	24,269,079,063	20,024,657,646	8,797,311,199
Cost/non cost bearing liabilities					
Deposits and other accounts	58,658,397,196	50,038,844,842	6,527,416,337	1,775,531,512	316,604,505
Other non-cost bearing liabilities					
Other liabilities	4,359,605,620	3,808,903,334	382,732,559	163,458,102	4,511,625
Total Liabilities	63,018,002,816	53,847,748,176	6,910,148,896	1,938,989,614	321,116,130
Net assets	6,140,824,647	(37,779,968,621)	17,358,930,167	18,085,668,032	8,476,195,069
Represented by :					
Share Capital	2,713,596,830				
Statutory reserves	767,940,323				
Depositor's protection fund	239,191,683				
Accumulated profit	2,423,780,022				
Surplus / (deficit) on revaluation of assets	(3,684,211)				
	6,140,824,647				



38 MATURITIES OF ASSETS AND LIABILITIES

	Total	Up to one month	Over one month up to six month	Over six month up to one year	Over one year
December 31, 2020	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Market rate assets					
Cash and Balance with SBP and NBP	3,674,148,710	3,674,148,710	-	-	-
Balances with other Banks/NBFIs/MFBs	5,425,344,104	5,425,344,104	-	-	-
Investments	12,073,885,361	1,180,658,600	10,893,226,761	-	-
Advances	24,223,738,951	6,701,015,799	4,910,950,277	9,970,881,120	2,640,891,755
Total market rate assets	45,397,117,126	16,981,167,213	15,804,177,038	9,970,881,120	2,640,891,755
Other non-earning assets					
Operating fixed assets	1,860,006,338	109,280	546,400	655,680	1,858,694,978
Other assets	8,625,937,688	4,542,856,715	3,470,222,945	124,127,571	488,730,457
Deferred tax asset	119,866,407	-	-	-	119,866,407
Total non-earning assets	10,605,810,433	4,542,965,995	3,470,769,345	124,783,251	2,467,291,842
Total assets	56,002,927,559	21,524,133,208	19,274,946,383	10,095,664,371	5,108,183,597
Cost/non cost bearing liabilities					
Deposits and other accounts	46,806,826,744	37,856,050,572	7,449,057,500	1,025,766,000	475,952,672
Other non-cost bearing liabilities					
Other liabilities	3,791,975,773	1,927,245,018	1,694,674,114	94,153,270	75,903,371
Total Liabilities	50,598,802,517	39,783,295,590	9,143,731,614	1,119,919,270	551,856,043
Net assets	5,404,125,042	(18,259,162,382)	10,131,214,769	8,975,745,101	4,556,327,554
Represented by :					
Share Capital	2,713,596,830				
Statutory reserves	622,404,030				
Depositor's protection fund	188,995,154				
Accumulated profit	1,878,179,840				
Surplus / (deficit) on revaluation of assets	949,188				
	5,404,125,042				

39 CAPITAL RISK MANAGEMENT

The Bank's objectives when managing its capital are:

- a) To comply with the capital requirements set by the SBP;
- b) To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- c) To maintain a strong capital base to support the development of its business.

Capital requirements applicable to the Bank are set out under Microfinance Institutions Ordinance, 2001. These requirements are put in place to ensure sufficient solvency margins. The Bank manages its capital requirement by assessing its capital structure against required capital level on regular basis. The minimum paid up capital requirement applicable to the Bank is Rs 1 billion whereas the paid up capital of the Bank as at December 31, 2021 is Rs 2.71 billion (2020: Rs 2.71 billion).

The Bank intends to maintain the required regulatory capital either through its risk management strategies or by increasing the capital in line with the business and capital needs.

40 MATERIAL OUTSOURCING ARRANGEMENTS

In compliance to the BPRD circular no 06 of 2017 of SBP, the material outsourcing arrangements of the bank are listed below;

Sr No	Name of the service provider	Nature of service	Estimated cost of outsourcing (per annum)	
			2021	2020
			----- Rupees -----	
1	Channel VAS	Branchless advances management	678,115,545	43,947,046
2	KPMG Taseer Hadi & Co.	Payroll services	4,732,800	2,366,400

41 CORRESPONDING FIGURES

The following figures have been rearranged / reclassified in current year to enhance the understanding of disclosure.

From	To	Amount in Rupees
Profit and loss account		
Administrative expenses - Finance cost of lease liability	Markup / return / interest expensed - Finance cost of lease liability	56,726,013
Other Charges-Workers Welfare Fund Sindh	Workers Welfare Fund	1,642,464
Fee, commission and brokerage income - Markup income on nano loans	Mark-up on advances	375,811,439
(Loss) / income from branchless - NADRA verification charges	Administrative expenses - customer verification charges	328,831,646

42 GENERAL

42.1 Figures in these financial statements have been rounded to the nearest Rupee, unless otherwise stated.

42.2 Captions as prescribed by BSD circular No. 11 dated December 30, 2003 issued by SBP, in respect of which there are no amounts, have not been reproduced in these financial statements, except for the captions of the balance sheet and profit and loss account.

42.3 The addresses of the branches of the Bank are as follows:

Sr. No	Branch Name	Address
1	Islamabad F-8	14-O, Atiq Plaza, Near Total Petrol Pump, F-8 Markaz, Islamabad
2	Abbotabad	Jahanzeb plaza, Near ZTBL and Save Mart, Opposite Shell Pump, Mansehra road, Mandian, Abbottabad
3	Swabi	Shop # 1, fazal dad khan Market, Mardan road near Meezan Bank swabi
4	Khushab	Plot No 198, Block No14, Main Bazar Jauharabad, District Khushab
5	Peshawar	Tilla Mansion, Near WAPDA labour Colony Krishan Pura Main GT Road Peshawar
6	Haripur	Shop No. 7-8, Naeem khan Market GT Road, Opposite Total Petrol Pump, Haripur
7	Mardan	S&B Tower, Hall # 01, Ground Floor, Malakand road, College chowk, Mardan
8	Lahore- DHA	Plot # 37-A, Khyban e Iqbal Block XX(Commercial), Phase 3, D.H.A Lahore.
9	Lodhran	Opposite shell Petrol Pump Near Jalalpur Mor Multan Road, Lodhran
10	Sialkot	M.A. Heights, Ground Floor, Defence Road, Near Sublime Chowk, Opposite WAPDA Office, Sialkot
11	Sahiwal	Plot No. 515-B, Office No. G-3, Ground Floor, Saeed Center Farid Road, Sahiwal
12	Sargodha	5, Zahoor Plaza, Noori Gate, Sargodha
13	Pakpattan	Opposite Govt. Fazilka High School, college Road, Pakpattan
14	Faisalabad	P-7 Santpura, Main Allama Iqbal Road Opposite GC university, Faisalabad
15	Bhakkar	Plot No. 12/13, Ward No. 12/6 Near Nasir Hospital, Mandi Town Bhakkar
16	Multan	Plot No. 3626-AB, Azmat Wasti Road, Chowk Sadu Hassam, Multan
17	Layyah	Shop No. 2, Karim Market, Near Gilani Manzil Chowk Azam Road Layyah
18	Liaquatpur	Plot No 7 Ghalla Mandi Raod, Tehsil Liaquat Pur District Rahim Yar Khan
19	Rahim Yar Khan	Bin Hakim Plaza, Shahi Road, City Pul, Behind Zam Zam Store, Rahim Yar Khan
20	Chishtian	Plot No. 13-14, E Block, Jamia Bazar Opposite PTCL Franchise Near Stylo Shoes Chishtian District Bahawalnager
21	Toba Tek Singh	Shop # 240 & 241, Mal Godown Road, Grain Market, Toba Tek Singh
22	Jhang	Building No.93, Near Girls College Chowk, Gojra Road, Jhang Sadar.
23	Kehror Pecca	Shop # 1 & 2, Duniapur Road, Tehsil Kehror Pecca, District Lodhran
24	Khanpur	Shop # 1, 2 & 3, Bypass Road, Opposite Attock Petrol Pump, (Daewoo Terminal) Khanpur, District Rahim Yar Khan
25	Chowk Azam	Shop # 1, 2 & 3, Opposite Bank of Punjab, MM Fatehpur Road, Chowk Azam
26	Shujabad	Shop # 1, Opposite Munawara Masjid, Jalalpur Road, Tehsil Shujabad, District Multan
27	Duniapur	Main Hall, Tariq Iron Plaza, Dokota Road, Duniapur, District Lodhran
28	Ahmedpur East	Shop # 1, 2 & 3, Dera Nawab Road, Abasian Chowk, Ahmedpur East, Tehsil Ahmedpur Dist Bahawalpur
29	Darya Khan	Shop No.3, Hashmi Chowk Opposite GPO, Main GT Road, Tehsil Darya Khan, District Bhakkar.
30	Jalalpur Pirwala	Arain Plaza, Opposite Allied Bank, Permit Road, Tehsil Jalal Pur Pirwala, District Multan.
31	Chota Sahiwal	Vinni House, Main Jhang-Sargodha Road, Tehsil Chota Sahiwal District Sargodha
32	Hyderabad	Survey no. 41/187/1, Jamia Masjid Road, Saddar Cantoment, Hyderabad
33	Hala	Plot No. 1403, Oppsite Sarwari College, Dargah Road New Hala
34	Daherki	Plot No. 446 shop No. 02 Near EFU Office, main GT Road, Daherki
35	Pannu Aqil	Plot # 435, Baiji Road, Pannu Aqil
36	Rannipur	Shop No. 1 & 2, Behind Al.Shifa Medical Center Near Askari Bank Main National Highway, Ranipur, District Khair Pur
37	Karachi-DHA	Plot # 40D, 24th Commercial Street, Phase II Ext, DHA, Karachi
38	Burewala	Shop No. 1, Al-Ramay industries Multan Road, Tehsil Burewala, District Vehari
39	Fort Abbas	Shop No. 3 & 4, Grain Market, Zia Shaheed Road, Fort Abbas, District Bahawalnagar.
40	Kot Addu	Shop # 476, Ward # 11, Main G.T Road Kot Addu, District Muzaffargarh
41	Mian Channu	Shop No. 3 & 4 Batalvi Plaza, Near Ghallani Plaza, Shaheed Road, Tehsil Mian Channu, District Khanewal
42	Mandi Bahauddin	Main Hall, Al Kausar Plaza, Punjab Cerntrre, Near Cheema chowk, Phalia Road, Mandi Bahauddin
43	Sadiqabad	Near KLP Fanoos, Nishtar Chowk Cinema Road, Tehsil Sadiq Abad District Rahim Yar Khan
44	Haroonabad	Plot No 738, Block C, Main Bangla Road, Haroonabad
45	Hasilpur	Near Khushhali Bank, Rasool Abad Colony, Bahawalpur Road, Tehsil Hasilpur District Bahawalpur.

Sr. No	Branch Name	Address
46	Gojra	Opposite Side ZTBL, Near Rana Chowk, Pensra Road, Gojra
47	Mankera	Gohar Wala Chowk, Near Highway Rest House, Jhang Bhakkar Road, Mankera
48	Kehror Lal Ehsan	Shop No. 1, Near NADRA Office, Station Chowk Fateh Pur Road, Tehsil Karoor Lal Esan
49	Arif Wala	Main Muhammadi Chowk, Opposite FINCA Microfinance Bank, Arifwala
50	Bhalwal	Block # 04, Post Office Road, Opposite Tehsil Court, Bhalwal District Sargodha
51	Minchanabad	Plot number 150, Circular Road Minchinabad District Bahawalnagar.
52	Basirpur	Shop No 1 & 2 opposite Govt Degree college for Women, Tehsil Depalpur, Haveli Road, Basirpur, District Okara
53	Chowk Sarwar Shaheed	Bilmuqabil Ghala Mandi Gate # 2, Near ZTBL, Multan Road, Chowk Sarwar Shaheed, Tehsil Kot Addu District Muzaffargarh
54	Muzaffargarh	Purani Chungi # 2, Jhang Road Tehsil & District Muzaffargarh
55	Pasrur	Hall No. 1, Faisal Colony, Mashriki, Near PSO Pump, Narowal Bypass, Sialkot Road Pasrur.
56	Chiniot	Shop No. 7, 8, Main Faisalabad Road, Sagheer Town Chiniot
57	Shorekot	Ghani Building, Jhang Road, Near Bus Stand, Shorkot City District Jhang
58	Larkana	Plot no. 72 Old Anaj Mandi, Shaikh Mohallah, near Haji Dhani Bux oil mill, Bank Square Road Larkana.
59	Qambar	Old bus Stand, Main Mangan Road Qambar.
60	Muzaffarabad	Ghulam Rasool Plaza, Near Combined Military Hospital Muzaffarabad AJ&K
61	Narowal	Yousaf Hall, Circular Road, Near Civil Hospital Jassar Bypass, Narowal
62	Jandanwala	Al Karam Plaza, Kalma Chowk, Sargodha road, Nawan Jandan wala Tehsil Jandanwala, Di
63	Alipur	Shop No. 1.2.3 Rana Building, Near Rashid Minhas School, Bahawal Cannal by Pass Road, Ali Pur Distt. Muzaffargarh
64	Shahkot	Main Nankana Sahib Road, Opposite Government Elementary school No 3, Shahkot, Distt Nankana
65	Sammundri	Al Iqbal Center, Main Faisalabad Road, Mohallah Muhammad Pura, Near GO petrol Pump, Samundri, Distt Faisalabad
66	Pindi bhattian	Ali Shopping Complex, Main Hafiz Abad Road, Pindi Bhatian, Distt Hafizabad
67	Deepalpur	Mughal Arcade, Shop No.1, 2, 3, Main Kasur Road, Near Bus Stand, Tehsil Depalpur District, Okara
68	Phalia	Arfat Plaza, Opposite PTCL Exchange, Main Gujrat & Sargodha Road, Phalia, Distt Mandi Bahauddin
69	Shahdad Kot	Sheikh Mansion, Near Peer Sajawal Shah, Shahdad Kot
70	Talagang	Malik Bashir Market, Opposite PEPSI Agency, Near Dra Autos, Main MainWali Road, Talagang, Distt Chakwal
71	Naseerabad	Indus Plaza, Main Hall, Main Road, Naseerabad, Distt Larkana
72	Chakdara	Samad Plaza, University Road, Hajiabad, Chakdara, Distt Lower Dir
73	Moro	Memom Plaza, Shop # 1-4, Near Saim Bachat Bazar, Dadu Road, Moro, District Nosheroferoz
74	Quetta	Hall # 2, Agha Chambers, Chuharmal Road of M.A. Jinnah Road, Quetta
75	Haveli Lakha Branch	Plot No. I-P-65, Pak Pattan Road, Haveli Lakhha, Tehsil Depalpur, Distt Okara
76	Khairpur Tamewali Branch	Khewat No. 127/119, Khatooni No. 274 to 279, Main Highway Hasilpur/Bahwalpur Road, Near New General Bus stand, Khairpur Tamewali, Tehsil Khairpur Tamewali, Distt
77	Gujranwala Branch	Ground Floor, Baig Tower, Mollah Badhia Nagar, Opposite General Bus Stand, GT Road Gujranwala.
78	Islamabad I-8	Plot No I-J Bazar No 3, Near potohar Metro Station, Mughal Market, 9th Avenue, sector I-8/1, Islamabad.
79	Jhelum	Azan Plaza, Ground floor, Machine Mohalla, # 3, Old GT Road Jhelum.
80	Gulistan-e- Johar Kar	Plot # A-1, Survey no. 11/8, Rahat Arcade, Gulistan-e-Johar, Karachi
81	Rawat Islamabad	Khasra No 1543, Kulsum Plaza, Opposite Chamber More, Main G.T. Road Rawat, Islamabad.
82	Piplan	Near Alkarim Hospital, Mandi town, Liaqatabad, Piplan, Tehsil Piplan Distt Mianwali.
83	Muridke	Shop No.1 Bahauddin Arcade, Main GT Road, Muridke, Tehsil Muridke, District Lahore
84	Mingora swat	Hall # 01 Ground Floor, Opposite Jalil International Hospital, GT Road, Rahimabad, Mingora, Distt Swat.
85	D I Khan	Al Hameed Mall, Near Besakhi Ground, Opposite Divisional Food Office, South Circular Road, D.I. Khan.
86	Timergarah	Shop No. 1, Jan Plaza, By-Pass Road, Opposite Deen Petrol Pump, Timergara, District Lower Dir.
87	Pir Mahal	khewat No. 3, Khatoni No. 12-13 Shahnawaz Plaza, Kamalia road, by pass, Pir Mahal, Tehsil Pir Mahal Distt Toba Tek Singh.

Branch Name	Address
88 Jaranwala	Khasra # 24/18/1, Khewat # 2265, Khatooni # 3531, Square # 4, Faisalabad road, Near Chattha Hospital, Jaranwala, Tehsil Jaranwala, Distt Faisalabad
89 Jatoi	Shop No.1 Dawood Wali Plaza, Rampur Road Jatoi, Tehsil Jatoi, District Muzaffargarh
90 Gujrat	Khasra No 1098/599, 1293/1099, Khewat No 91, Khatooni No 118, Mohallah Allah Lok Colony,GT Road, Gujrat
91 Bahawalpur	Gulberg Road, Opposite Chase Value Center, Bahawalpur
92 Hafizabad	Qilat #, 27, Khewar # 504, Khatooni # 1440-1465, Khasra # 82/25461, Opposite NADRA office, Gujranwala Road, Hafizabad
93 Chunian	Khasra No. 3311/4, khewat No. 20, Khatoni No. 564,Changa Manga Raod, Chunian, Distt Kasur.
94 Bahawalnagar	Waheed Arshad Chowk, Main Raod,1-A, Jinnah Colony, Bahawalnagar.
95 Mansehra	Khewat No. 590-1167, Khatoni No. 1138-612, Ammar Arcade, Ghulam Ghous Hazarvi Road, Mansehra.
96 Sheikhpura	Lahore raod, Near National Floor Mill, Tehsil & Distt Sheikhpurwe.
97 Sukker	Khasra No. 33/5 C, Khatooni No. 33/5 C 1, Memon Plaza, work shop raod, Tehsil & Distt Sukkur
98 Wazirabad	Khewat No. 394, Khatoni No. 727, Khasra No. Shadman Town, Naseer Colony, Main GT Road, Wazirabad 4 Main GT road Wazirabad, Distt Gujranwala
99 Nowshera	Hall No. 01, Sanam Plaza Mardan/Noshera Raod Tehsil & Distt Nowshera
100 Dina	Hajra Plaza Mangla Road Dina, Tehsil Dina Distt Jhelum opposite APNA Bank, Dina
101 Mozang- lahore	5-56 Commercial Area, Mazang Chungi, Ferozepur Road, Lahore
102 Pind Dadan Khan	Opposite Katcheri, Main Jhelum Road, Pind Dadan Khan
103 Hassanabdal	Ali Aksar Plaza, Opposite Hassan Medical Complex Main GT Road, Near Main Bus Stand Hassanabdal.
104 18-Hazari	Bhakkar Road Near Nadra Office, Tehsil 18-Hazari, District Jhang.
105 Tando Allah Yar	Main Mirpur khas Road Tando Allah Yar

43 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held on 25 Feb 2022



PRESIDENT/ CHIEF EXECUTIVE



CHAIRMAN



DIRECTOR



DIRECTOR

MOBILINK MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

Details of property and equipment disposed off during the year as referred to in Note 12.2.1 of financial statements:

Particulars of Asset	Category	Cost (Rs.)	Accumulated Depreciation (Rs.)	Book Value (Rs.)	Sales Proceed (Rs.)	Gain/ (loss) (Rs.)	Mode of Disposal	Relationship	Particulars of buyers
Laptop lenovo E550	Computer equipment	70,000	70,000	-	-	-	As per Policy	Employee	Muhammad Umer
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Fahad Aqeel
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Usman Nazir
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Ali Ammar
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Shahab Hussain
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Faisal Abbas
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Agha Bilal
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Farhan Mustafa
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Moneeb Ali
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Waqas Mahmood
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Muhammad Usman
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Masooma Ali
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Rizwan Rasheed
HP Probook 450G3	Computer equipment	77,000	77,000	-	-	-	As per Policy	Employee	Anwar Ali
HP Spectre Notebook	Computer equipment	184,900	184,900	-	-	-	As per Policy	Employee	Samiha Zahid
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Fawad Ahmed
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	haseeb rehman
HP Probook 450G4	Computer equipment	125,000	125,000	-	-	-	As per Policy	Employee	abdul basit
HP Spectre Notebook	Computer equipment	184,900	184,900	-	-	-	As per Policy	Employee	faisal mahmood
HP Probook 450G4	Computer equipment	103,500	103,500	-	-	-	As per Policy	Employee	zulfiqar anwar
Laptop lenovo E560	Computer equipment	70,000	70,000	-	-	-	As per Policy	Employee	abdul rasheed
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Muhammad Ali
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	abdul Rehman
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Usman Tahir
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Umair Azim
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Azfar Ali
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Nasir Shahid
HP Probook 450G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Abdul Rehman
Motor Cycle 125	Vehicles	109,023	109,023	-	-	-	As per Policy	Employee	Adnan Naeem
SAMSUNG TAB S4	Computer equipment	123,000	75,167	47,833	47,833	-	As per Policy	Employee	Farhan Mustafa
HP Probook 450 G3	Computer equipment	91,500	91,500	-	-	-	As per Policy	Employee	Faisal Akram
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Mehreen Rashid
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Yasir Hameed
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Ahsan Dawood
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Nimrah Usman
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Bushra Hayat
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Samina Karim
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Irfan Ali
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Hira siddique
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Waqas Rashid
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Taimoor Rashid
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Irfan Ahmed
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Tariq Ayaz
HP Probook 450 G3	Computer equipment	91,350	91,350	-	-	-	As per Policy	Employee	Haris Lodhi
Cash teller counter	Furniture and fixture	33,713	33,713	-	5,000	(5,000)	As per Policy	Third party	Salamat Glass House, Bhalwal
Cash teller counter	Furniture and fixture	33,713	33,713	-	5,000	(5,000)	As per Policy	Third party	Salamat Glass House, Bhalwal
Glass work	Furniture and fixture	224,500	224,500	-	32,000	(32,000)	As per Policy	Third party	Salamat Glass House, Bhalwal
Entrance steel gate	Leasehold improvements	38,700	27,681	11,019	29,500	(18,481)	As per Policy	Third party	Salamat Glass House, Bhalwal
HP Probook 450 G5	Computer equipment	116,500	103,556	12,944	12,944	-	As per Policy	Employee	Anum Afzal
HP Probook 450 G4	Computer equipment	88,000	29,110	58,890	58,890	-	As per Policy	Employee	Hira Azam Baig
HP ELITEBOOK 840 G1	Computer equipment	34,000	27,626	6,375	6,375	-	As per Policy	Employee	Muhammad Rizwan
Laptop lenovo E560	Computer equipment	70,000	52,900	17,100	17,100	-	As per Policy	Employee	Faisal Shabir
HP Probook 450 G4	Computer equipment	88,000	47,700	40,300	40,300	-	As per Policy	Employee	Anwar Khan
HP ELITEBOOK 840 G1	Computer equipment	34,000	29,750	4,250	4,250	-	As per Policy	Employee	Hafeez Ullah Khan
HP Probook 450 G5	Computer equipment	160,950	160,950	-	-	-	As per Policy	Employee	Ahmed Khan
HP Probook 450 G4	Computer equipment	88,000	88,000	-	-	-	As per Policy	Employee	Sardar Azam
HP ELITEBOOK 840 G1	Computer equipment	34,000	30,196	3,804	3,804	-	As per Policy	Employee	Asad Iqbal
HP Probook 450 G4	Computer equipment	88,000	88,000	-	-	-	As per Policy	Employee	waqas.majeed
HP Probook 450 G4	Computer equipment	88,000	88,000	-	-	-	As per Policy	Employee	Syed Ali
Mercedes Benz E200	Vehicles	14,028,604	10,521,453	3,507,151	3,507,151	-	As per Policy	Employee	Ghazzanfar Azzam
		19,495,653	15,785,987	3,709,666	3,770,147	(60,481)			