

**NRSP MICRO FINANCE BANK
LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2015**

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of NRSP Microfinance Bank Limited ("the Bank") as at December 31, 2015 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended 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 our audit.

It is the responsibility of the Bank's management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984 and the Microfinance Institutions Ordinance, 2001. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a. in our opinion, proper books of account have been kept by the Bank as required by the Microfinance Institutions Ordinance, 2001 and Companies Ordinance, 1984;
- b. in our opinion:
 - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and the Microfinance Institutions Ordinance, 2001 and are in agreement with the books of account;
 - ii. the expenditure incurred during the year was for the purpose of the Bank's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Bank;



- c. in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984 and the Microfinance Institutions Ordinance, 2001, in the manner so required and give a true and fair view of the state of the Bank's affairs as at December 31, 2015 and of the profit, its cash flows and changes in equity for the year then ended; and
- d. in our opinion, 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.

Deloitte Yousuf Adil,
Chartered Accountants

Engagement Partner:

Talat Javed

Dated: March 09, 2016


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NRSP MICROFINANCE BANK LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2015

	Note	2015 Rupees	2014 Rupees
ASSETS			
Cash and Balances with SBP and NBP	6	472,107,622	308,723,036
Balances with Other Banks/NBFIs/MFBs	7	1,752,697,769	1,686,937,820
Lending to Financial Institutions		-	-
Investment- Net of Provisions	8	2,171,796,032	3,971,191,370
Advances-Net of Provisions	9	8,999,191,316	5,125,177,047
Operating Fixed Assets	10	221,426,706	222,810,333
Other Assets	11	681,895,909	473,049,174
Deferred Tax Asset	12	7,367,307	9,726,853
Total Assets		14,306,482,661	11,797,615,633
LIABILITIES			
Deposits and Other Accounts	13	7,255,315,825	5,159,809,714
Borrowings	14	4,156,925,000	4,204,216,370
Subordinated Debts		-	-
Other Liabilities	15	349,740,561	307,485,949
Deferred Tax Liability		-	-
Total Liabilities		11,761,981,386	9,671,512,033
Net Assets		2,544,501,275	2,126,103,600
REPRESENTED BY:			
Share Capital	16	1,498,372,010	1,498,372,010
Statutory Reserve	5.10	220,781,778	128,840,798
Depositor's Protection Fund	5.11	60,381,579	34,646,895
Accumulated Profit		754,487,456	413,516,645
		2,534,022,823	2,075,376,348
Surplus on Revaluation of Assets-Net of Tax	17	11,397	1,498,750
Deferred Grants	18	10,467,055	49,228,502
Total Capital		2,544,501,275	2,126,103,600

MEMORANDUM / OFF-BALANCE SHEET ITEMS: 19

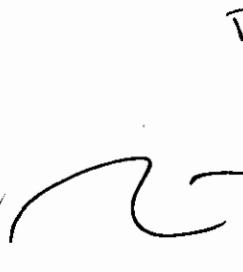
The annexed notes 1 to 35 form an integral part of these Financial Statements.



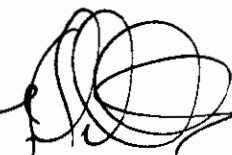
 PRESIDENT



 CHAIRMAN



 DIRECTOR



 DIRECTOR

NRSF MICROFINANCE BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	2015 Rupees	2014 Rupees
Mark-up / Return / Interest Earned	20	2,053,934,092	1,731,236,416
Mark-up / Return / Interest Expensed	21	(741,048,862)	(793,087,433)
Net Mark-up / Interest Income		1,312,885,230	938,148,983
Provision Against Non-Performing Loans and Advances	9.4	(129,841,234)	(53,672,400)
Provision for Diminution in the Value of Investments		-	-
Bad debts written off directly	9.5	(12,647,952)	(8,558,847)
		(142,489,186)	(62,231,247)
Net Mark-up / Interest Income after provisions		1,170,396,044	875,917,736
NON MARK-UP / NON INTEREST INCOME			
Fee, Commission and Brokerage income	22	391,542,226	188,017,055
Dividend Income		-	-
Other Income	23	209,840,033	140,009,532
Total Non-Markup / Non Interest Income		601,382,259	328,026,587
		1,771,778,303	1,203,944,323
NON MARK-UP / NON INTEREST EXPENSES			
Administrative expenses	24	(1,121,540,038)	(918,212,652)
Other Charges		-	-
Total non-markup / non interest expense		(1,121,540,038)	(918,212,652)
		650,238,265	285,731,671
Extraordinary/unusual items		-	-
PROFIT BEFORE TAXATION		650,238,265	285,731,671
Taxation - Current	25	(187,875,246)	(83,216,262)
- Prior years		1,488,000	9,888,165
- Deferred		(4,146,119)	(14,724,412)
		(190,533,365)	(88,052,509)
PROFIT AFTER TAXATION		459,704,900	197,679,162
OTHER COMPREHENSIVE INCOME			
Items that will never be classified to profit and loss:			
-Re-measurement component - Net Actuarial Loss	15.2.1	(3,807,864)	(10,032,063)
		(3,807,864)	(10,032,063)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		455,897,036	187,647,099
Accumulated Profit brought forward		413,516,645	275,289,336
Accumulated Profit		869,413,681	462,936,435
APPROPRIATIONS:			
Transfer to:			
Statutory reserve	5.10	91,940,980	39,535,832
Capital Reserve		-	-
Depositors' Protection Fund	5.11	22,985,245	9,883,958
Revenue Reserve		-	-
		114,926,225	49,419,790
ACCUMULATED PROFIT CARRIED FORWARD		754,487,456	413,516,645
Earnings per share-Basic and Diluted	26	3.07	1.32


The annexed notes 1 to 35 form an integral part of these Financial Statements.



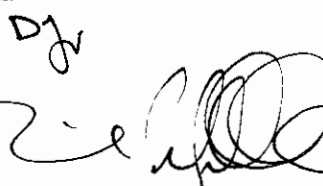
 PRESIDENT



 CHAIRMAN



 DIRECTOR

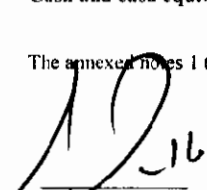


 DIRECTOR

NRSP MICROFINANCE BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	2015 Rupees	2014 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		650,238,265	285,731,671
Less: Dividend Income		-	-
		<u>650,238,265</u>	<u>285,731,671</u>
Adjustments for non-cash charges			
Depreciation		64,944,445	61,156,944
Amortization of intangible assets		24,114,680	35,956,504
Provision against non-performing advances		129,841,234	53,672,400
Unrealized loss / (gain) on revaluation of investments classified as held for trading		(13,623,652)	(30,188,529)
Amortization of deferred grant		(80,732,511)	(38,062,723)
Gain on sale of operating fixed assets		(2,359,759)	(611,073)
Advances written off		12,647,952	8,558,847
Finance charges on leased assets		5,122,465	1,055,247
Gain on sale and redemption of securities		(79,849,632)	(104,440,049)
Provision for gratuity and leave encashment		47,335,829	34,814,531
		<u>107,441,051</u>	<u>21,912,099</u>
Increase in operating assets			
Advances		(4,016,503,455)	(397,052,052)
Other assets		(220,908,168)	(96,672,605)
		<u>(4,237,411,623)</u>	<u>(493,724,657)</u>
Increase / (decrease) in operating liabilities			
Borrowings from financial institutions		(47,291,370)	(253,033,630)
Deposits and other accounts		2,095,506,111	1,541,095,673
Other liabilities (excluding current taxation, gratuity and leave encashment, Finance lease)		25,624,906	23,923,932
		<u>2,073,839,647</u>	<u>1,311,985,975</u>
Payments against provisions held against off-balance sheet obligations			
Income tax paid		(175,865,786)	(94,855,884)
Gratuity and Leave encashment paid (including contributions)		(44,855,808)	(21,561,538)
Net cash flow from operating activities		<u>(1,626,614,254)</u>	<u>1,009,487,666</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in available-for-sale securities		25,973,601	-
Net investment in held to maturity securities		(8,707,830)	(30,590,414)
Net investment in held for trading securities		1,736,621,178	(1,489,406,351)
Gain realized on investments		140,243,759	134,743,291
Investments in operating fixed assets		(58,213,249)	(60,935,025)
Sale proceeds of property and equipment disposed-off		3,585,154	2,463,095
Net cash flow from investing activities		<u>1,839,502,613</u>	<u>(1,443,725,404)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of lease obligations		(25,714,888)	(3,968,342)
Issue of share capital		-	498,372,010
Grants received		41,971,064	27,782,225
Net cash flow from financing activities		<u>16,256,176</u>	<u>522,185,893</u>
Net increase in cash and cash equivalents		<u>229,144,535</u>	<u>87,948,155</u>
Cash and cash equivalents at beginning of the year		1,995,660,856	1,907,712,701
Cash and cash equivalents at end of the year		<u>2,224,805,391</u>	<u>1,995,660,856</u>

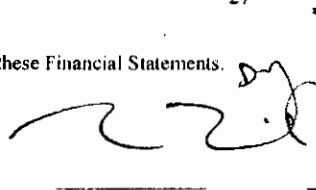
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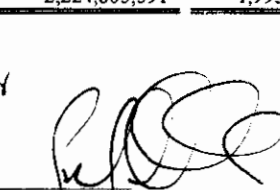
 PRESIDENT



 CHAIRMAN



 DIRECTOR

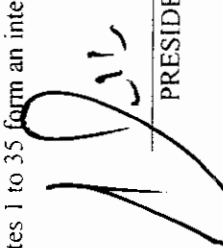


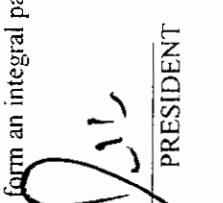
 DIRECTOR

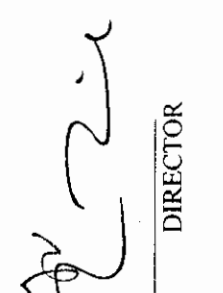
NRSP MICROFINANCE BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015

	Capital reserves		Revenue reserves		Total
	Share capital	Statutory reserve	Depositors' protection fund	Unappropriated profit	
Rupees.....					
Balance as at January 1, 2014	1,498,372,010	89,304,966	23,100,660	275,289,336	1,886,066,972
Profit for the year	-	-	-	187,647,099	187,647,099
Transfer to statutory reserves	-	39,535,832	-	(39,535,832)	-
Transfer to depositors' protection fund	-	-	9,883,958	(9,883,958)	-
- 5% of the profit after tax for the year	-	-	1,662,277	-	1,662,277
- return on investments - net of tax	-	-	11,546,235	(9,883,958)	1,662,277
Issue of share capital	-	-	-	-	-
Balance as at December 31, 2014	1,498,372,010	128,840,798	34,646,895	413,516,645	2,075,376,348
Profit for the year	-	-	-	455,897,036	455,897,036
Transfer to statutory reserves	-	91,940,980	-	91,940,980	-
Transfer to depositors' protection fund	-	-	22,985,245	(22,985,245)	-
- 5% of the profit after tax for the year	-	-	2,749,439	-	2,749,439
- return on investments - net of tax	-	-	25,734,684	(22,985,245)	2,749,439
Issue of share capital	-	-	-	-	-
Balance as at December 31, 2015	1,498,372,010	220,781,778	60,381,579	754,487,456	2,534,022,823

The annexed notes 1 to 35 form an integral part of these Financial Statements.


 CHAIRMAN


 PRESIDENT


 DIRECTOR


 DIRECTOR

NRSP MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

1 STATUS AND NATURE OF BUSINESS

NRSP Microfinance Bank Limited (the Bank) was incorporated as a public limited company incorporated in Pakistan on October 22, 2008 under the Companies Ordinance, 1984. The Bank received a license by the State Bank of Pakistan (SBP) to operate as a microfinance bank on February 18, 2009, and received certificate of commencement of business from Securities and Exchange Commission of Pakistan (SECP) on February 8, 2011. Further SBP approved the application of the Bank for commencement of business on February 28, 2011.

The Bank was established to mobilize funds for providing microfinance services to low income people for mitigating poverty through community building and social mobilization with the ultimate objective of poverty alleviation.

The Bank's registered office is situated at 46, Aga Khan Road, F/6-4, Islamabad and principal place of business is situated at University road, Bahawalpur. There are 67 branches of the Bank as at December 31, 2015 (2014: 58 branches).

National Rural Support Programme (NRSP) is holding company of the Bank which holds 52.06% (2014: 52.06%) shares of the Bank.

2 BASIS OF PRESENTATION

These financial statements have been presented in accordance with requirements of format prescribed by the SBP Banking Supervision Department (BSD) Circular number 11 dated December 30, 2003.

3 STATEMENT OF COMPLIANCE

- 3.1 These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standard Board (IASB) as are notified under the Companies Ordinance 1984, the requirements of the Companies Ordinance 1984, Microfinance Institutions Ordinance 2001, the Prudential Regulations for Microfinance Banks ("the Regulations") and the directives issued by the Securities and Exchange Commission of Pakistan and State Bank of Pakistan. Wherever the requirements of the Companies Ordinance 1984, the Microfinance Institutions Ordinance 2001, the Prudential Regulation for Microfinance Banks and directives issued by the Securities and Exchange Commission of Pakistan and State Bank of Pakistan differ with the requirements of the IFRSs, the requirements of the Companies Ordinance 1984, the Microfinance Institutions Ordinance 2001, the Prudential Regulations for Microfinance Banks and the requirements of the said directives shall prevail.

SBP has clarified that International Accounting Standard 39, "Financial Instruments: Recognition and Measurement" and International Accounting Standard 40, "Investment Property" are not applicable to the Banking Companies through BSD Circular No. 10 dated August 26, 2002. Further, SECP has deferred the applicability of IFRS 7 - 'Financial instruments - disclosures' through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of the said standards have not been considered in the preparation of these financial statements.

3.2 New accounting standards / amendments and IFRS interpretations that are effective for the year ended December 31, 2015

The following standards, amendments and interpretations are effective for the year ended December 31, 2015. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

IFRS 10 – Consolidated Financial Statements	Effective from accounting period beginning on or after January 01, 2015
IFRS 11 – Joint Arrangements	Effective from accounting period beginning on or after January 01, 2015
IFRS 12 – Disclosure of Interests in Other Entities	Effective from accounting period beginning on or after January 01, 2015
IFRS 13 – Fair Value Measurement	Effective from accounting period beginning on or after January 01, 2015
Amendments to IAS 19 Employee Benefits: Employee contributions	Effective from accounting period beginning on or after July 01, 2014
IAS 27 (Revised 2011) – Separate Financial Statements	Effective from accounting period beginning on or after January 01, 2015
IAS 28 (Revised 2011) – Investments in Associates and Joint Ventures	Effective from accounting period beginning on or after January 01, 2015

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Certain annual improvements have also been made to a number of IFRSs.

3.3 New accounting standards and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures

Amendments to IFRS 11 - Accounting for acquisitions of interests in joint operations	Effective from accounting period beginning on or after January 01, 2016
Amendments to IAS 1 - Disclosure initiative	Effective from accounting period beginning on or after January 01, 2016
Amendments to IAS 16 and IAS 38 Clarification of acceptable methods of depreciation and amortization	Effective from accounting period beginning on or after January 01, 2016
Amendments to IAS 16 and IAS 41 Agriculture: Bearer plants	Effective from accounting period beginning on or after January 01, 2016
Amendments to IAS 27 - Equity method in separate financial statements	Effective from accounting period beginning on or after January 01, 2016
Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after January 01, 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the consolidation exception	Effective from accounting period beginning on or after January 01, 2016

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 9 – Financial Instruments
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 15 – Revenue from Contracts with Customers
- IFRS 16 – Leases

4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain investments carried at fair value and recognition of certain staff retirement benefits at present value.

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the use of certain accounting estimates and judgments in application of accounting policies. The area involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 5.20.

These financial statements are prepared in Pak Rupee which is Bank's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement represent cash in hand, balances held with State Bank of Pakistan and National Bank of Pakistan (NBP) and balances held with other banks in current and deposit accounts.

5.2 Financial instruments

Financial assets and liabilities are recognized when the Bank becomes a party to the contractual provisions of the instrument and de-recognized when the Bank loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired.

Derivatives are initially recorded at fair value on the date a derivative contract is entered into and are re-measured to fair value at subsequent reporting dates. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Bank designates certain derivatives as cash flow hedges.

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The Bank documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Bank also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flow of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the profit and loss account.

Amounts accumulated in equity are recognized in profit and loss account in the periods when the hedged item will affect profit or loss. However, when the forecast hedged transaction results in the recognition of a non-financial asset or a liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Other particular recognition methods adopted by the Bank are disclosed in the individual policy statements associated with each item of financial instruments.

Financial Assets

Financial assets are cash and balances with SBP and NBP, balances with other banks, lending to financial institutions, investments, advances and other receivables. 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 are recognized as per note 5.3.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangement entered into. Financial liabilities include borrowings 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 de-recognition of the financial assets and liabilities is included in the net profit and loss for the year in which it arises.

5.3 Investments

All purchases and sales 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 and the Bank has transferred substantially all the risks and rewards of ownership.

Investments are classified as follows:

Available for sale investments

Investments which may be sold in response to need 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.

After initial measurement, such investments the surplus/ (deficit) arising on revaluation of available for sale investments is kept in "Surplus/ (deficit) on revaluation of assets" and is shown in the balance sheet below equity. The surplus / (deficit) arising on these investments is taken to the profit and loss account, when actually realized upon disposal.

Held for trading investments

These represent securities acquired with the intention to trade by taking advantage of short-term market / interest rate movements. After initial measurement, these are marked to market and surplus / deficit arising on revaluation of 'held for trading' investments is taken to profit and loss

Held to maturity investments

Investments with fixed maturity, where management has both the intent and the ability to hold till 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, and revalued at balance sheet date as per local Prudential Regulations based on the value of comparable instruments being traded if an active market exists. 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 investment's is amortized through profit and loss account over the remaining period till maturity.

5.4 Advances

Advances are stated net of provisions for non-performing advances. Advances that are overdue for 30 days or more are classified as non-performing and divided into categories as prescribed in the Regulations.

The Bank maintains, in addition to the general provision over total advances, specific provision for potential losses for all non-performing advances on the basis of the Regulations and other directives issued by the State Bank of Pakistan.

General and specific provisions are charged to the profit and loss account.

In accordance with the Regulations, non-performing advances are written-off one month after the loan is categorized as Loss. However, the Bank continues its efforts for recovery of the written-off balances.

5.5 Operating fixed assets

Capital work-in-progress

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

Property and equipment

Property and equipment's are recognized 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. Subsequent expenditure is capitalized only when it increases the future economic benefit embodied in the specific asset to which it relates. All other expenditures are recognized in profit and loss account as incurred. Carrying amount of the replaced part is derecognized. All other repair and maintenance are charged to profit and loss account.

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 the site on which they are located, if any.

Depreciation is charged on the straight line at rates specified in note 10.2 to the financial statements, so as to write off the cost of assets over their estimated useful lives. Depreciation is charged on acquisition and disposal based on number of months the assets are available for use. Full month's depreciation is charged in the month of acquisition while no depreciation is charged in the month of disposal.

Gain and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amounts of fixed asset and are recognized in the profit and loss account.

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 enterprise 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 10.3 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.

5.6 Impairment - Non - financial assets

The carrying amounts of the Bank's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

5.7 Taxation

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.

Deferred

Deferred tax is accounted for on all major taxable temporary differences between the carrying amounts of assets for financial reporting purposes and their tax base. 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 to 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 substantively enacted by the balance sheet date. Deferred tax, on revaluation of investments, if any, is recognized as an adjustment to surplus/ (deficit) arising on such revaluation.

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5.8 Employee benefits

The main features of the schemes operated by the Bank for its employees are as follows:

Defined benefit plan

- Staff gratuity

The Bank operates an approved funded gratuity scheme for all its regular employees. The cost of providing benefits under the plan is determined using the projected unit credit actuarial valuation method. Estimate is made on the basis of expected period of service of employees, expected increase in salary, discount rate and other demographic assumptions. Six or more months of service is counted as one full year. Qualifying service period is two years.

- Accumulated compensated absences

The Bank provides annually for the expected cost of accumulating compensated absences on the basis of actuarial valuations. Regular employees of the Bank are entitled to accumulate the unutilized privilege leaves up to 60 days.

The most recent valuation is carried out as at December 31, 2015 using the projected unit credit method. Actuarial gains and losses arising due to changes in defined benefit obligations and in the fair value of plan assets are recognized immediately in profit and loss in order for the net asset or liability recognized in the statement of financial position to reflect the full value of plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined contribution plan

The Bank operates an approved defined contribution provident fund for all permanent employees. Equal monthly contributions @ 10% of basic pay are made by the employees and the Bank to the fund.

5.9 Earnings per share

The Bank presents earnings per share (EPS) for its ordinary shares which is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares (if any).

5.10 Statutory reserve

In compliance with the Regulations, the Bank is required to maintain a statutory reserve to which an appropriation equivalent to 20% of the profit after tax is made till such time the reserve fund equals the paid up capital of the Bank. Thereafter, the contribution is reduced to 5% of the profit after tax.

5.11 Depositors' protection fund

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

5.12 Grants

Grants that compensate the Bank for expenses incurred are recognized in the profit and loss account as other operating income 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.

The grant related to an asset is recognized in the balance sheet initially as deferred income when there is reasonable assurance that it will be received and that the Bank will comply with the conditions attached to it.

5.13 Revenue recognition

Mark-up/return (service charge) on advances is recognized on accrual/ time proportion basis, except for income, if any, which warrants suspension in compliance with the Regulations. Mark-up recoverable on non-performing advances is recognized on a receipt basis in accordance with the requirements of the Regulations. Application processing fee is recognized as income when service is performed.

Mark-up / return on investments is recognized on time proportion basis using effective interest method. Where debt securities are purchased at premium or discount, those premiums or discounts are amortized through the profit and loss account over the remaining period of maturity.

Fee, commission and brokerage income are recognised as services are performed.

Gain or loss on sale of securities is accounted for in the period in which the sale / settlement occurs.

Income from interbank deposits in saving accounts are recognized in the profit and loss account as it accrues.

5.14 Borrowing costs

Mark up, interest and other charges on borrowings are charged to profit and loss account in the year in which they are incurred.

5.15 Leasing

Leases are classified as finance lease when the terms of lease transfer substantially all the risk and rewards of ownership to lessee. All other leases are classified as operating leases.

Operating lease rentals are recorded in profit and loss account on a time proportion basis over the term of the lease arrangements.

Assets held under finance lease are initially recognized at fair value at the inception of lease or, if lower, at present value of minimum lease payments. The corresponding liability to the lesser is included in the statement of financial position as finance lease obligation. Lease payments are apportioned between finance expenses and reduction of lease obligation so as to achieve a constant rate of interest on the remaining balance of liability. Finance are immediately recognized in profit and loss.

5.16 Impairment – Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had 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 effective 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 or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost the reversal is recognized in profit or loss.

5.17 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.

5.18 Foreign currencies

Transactions in foreign currencies are recorded at the approximate rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupee at the rate of exchange ruling on the balance sheet date and exchange differences, if any, are charged to profit and loss account.

5.19 Provisions

Provisions are recognized when the Bank has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made.

5.20 Use of Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Bank's accounting policies. The Bank uses estimates and assumptions concerning the future. The resulting accounting estimate will, by definition, seldom equal the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where assumptions and estimates are significant to the Bank's financial statements or where judgment was exercised in application of accounting policies are as follows:

- 1) Useful lives of operating fixed assets;
- 2) Income taxes;
- 3) Staff retirement benefits;
- 4) Classification of Advances and Investments;
- 5) Provision of Advances; and
- 6) Valuation and impairment of investments.

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	Note	2015 Rupees	2014 Rupees
6 CASH AND BALANCES WITH SBP AND NBP			
Cash in hand		132,309,375	79,625,389
Balances with State Bank of Pakistan (SBP) in:			
Local currency current accounts	6.1	337,948,896	228,887,903
Balances with National Bank of Pakistan (NBP) in:			
Current account		1,847,351	209,744
Deposit account		2,000	-
		<u>472,107,622</u>	<u>308,723,036</u>

6.1 This represents balance maintained with SBP to meet the requirement of maintaining cash reserve equivalent to not less than 5% (2014: 5%) of the Bank's deposits, including demand deposits and time deposits, with tenor of less than one year, in accordance with regulation R-3A of the Prudential Regulations.

	Note	2015 Rupees	2014 Rupees
7 BALANCES WITH OTHER BANKS/NBFIs/MFBs			
In Pakistan			
Local currency current accounts		187,751,040	24,843,667
Local currency deposit accounts	7.1	1,564,946,729	1,662,094,153
		<u>1,752,697,769</u>	<u>1,686,937,820</u>

7.1 This represents deposits with commercial banks payable on demand carrying mark-up at 4.9% to 10.19% (2014: 7.92% to 9.50%) per annum. This also includes Term Deposit Receipts amounting to Rs. 176 million (2014: Rs 838 million) with local commercial banks carrying mark-up ranging from 6.53% to 10.19% (2014: 9.09% to 10.17%).

	Note	2015 Rupees	2014 Rupees
8 INVESTMENT- NET OF PROVISIONS			
Federal Government securities - Held to Maturity			
Pakistan Investment Bonds (PIBs)	8.1	413,418,791	409,710,961
Ijarah Sukuk	8.2	5,000,000	-
		<u>418,418,791</u>	<u>409,710,961</u>
Term finance certificates - Available for Sale	8.3	40,016,760	111,498,750
Mutual funds - Held for Trading		1,713,360,481	3,449,981,659
Less: Provision for diminution in value of investments		-	-
		<u>2,171,796,032</u>	<u>3,971,191,370</u>

8.1 These PIBs are held to maturity and due to be matured on July 18, 2016 and July 17, 2017. Further, these carries coupon rate of 11.25% per annum.

8.2 Ijarah Sukuk is held to maturity and due to be matured on December 18, 2018. Further, this carries coupon rate of 5.89% per annum.

8.3 This represents term finance certificates issued by the Pakistan Mobile Communication Limited and these are Available for Sale and carries markup at the rate of 3 months KIBOR plus a spread of 2% per annum (2014: 3 months KIBOR plus a spread of 2% per annum) with a maturity period of 4 years from April 18, 2012 to April 18, 2016. The Bank holds 2,000 certificates with face value of Rs. 100,000 each.

Loan type	Note	2015		2014	
		No. of loan outstanding	Amount outstanding Rupees	No. of loan outstanding	Amount outstanding Rupees
Micro Credit	9.1	257,240	9,008,179,150	194,489	5,192,071,349
Islamic Advances		1,204	77,328,879	-	-
			<u>9,085,508,029</u>		<u>5,192,071,349</u>
Less: Provision held:					
Specific		738	(4,362,907)	3,501	(16,333,831)
General	9.2		(81,953,806)		(50,560,471)
			<u>(86,316,713)</u>		<u>(66,894,302)</u>
Advances - net of provision			<u>8,999,191,316</u>		<u>5,125,177,047</u>

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- 9.1 All advances are secured by personal guarantees except for gold loans amounting to Rs. 86.51 million (2014: Rs. 119 million). Further, a mandatory deposit account equivalent to 10% of amount of advances is required to be kept with the Bank. The interest rates on these advances range from 20% to 30% (2014: 28% to 30%) per annum.
- 9.2 General provision is maintained in accordance with the Prudential Regulations for Microfinance Banks.
- 9.3 Advances include Rs. 14,520,128 (2014: Rs. 51,108,954) which as detailed below have been placed under non performing status:

Category of Classification	Amount Outstanding	Outstanding Against Collateral Assets	Provision Required	Provision Held
OAEM	5,231,473	77,751	-	-
Sub-Standard	1,394,487	40,000	338,621	338,621
Doubtful	6,712,616	618,092	3,047,261	3,047,261
Loss	1,181,552	204,527	977,025	977,025
	<u>14,520,128</u>	<u>940,370</u>	<u>4,362,907</u>	<u>4,362,907</u>

- 9.4 Particulars of provision against non performing advances:

	2015			2014		
	Specific	General	Total	Specific	General	Total
Opening Balance	16,333,831	50,560,471	66,894,302	7,479,621	47,164,416	54,644,037
Charge for the year	98,447,899	31,393,335	129,841,234	50,276,345	3,396,055	53,672,400
Amounts written off	(110,418,823)	-	(110,418,823)	(41,422,135)	-	(41,422,135)
Reversals	-	-	-	-	-	-
Closing balance	<u>4,362,907</u>	<u>81,953,806</u>	<u>86,316,713</u>	<u>16,333,831</u>	<u>50,560,471</u>	<u>66,894,302</u>

9.5 Particulars of Write Offs	2015	2014
	Rupees	Rupees
Against provision	110,418,823	41,422,135
Directly charged to profit & loss account	12,647,952	8,558,847
	<u>123,066,775</u>	<u>49,980,982</u>

- 9.6 Movement of advance

	2015		2014	
	No. of loan	Amount	No. of loan	Amount
		Rupees		Rupees
Opening balance	194,490	5,192,071,349	171,718	4,845,000,279
Disbursement during the year	400,847	14,110,547,277	289,706	8,450,966,191
	<u>595,337</u>	<u>19,302,618,626</u>	<u>461,424</u>	<u>13,295,966,470</u>
Recovery during the year	325,615	10,094,043,823	263,189	8,053,914,139
Loans written off	11,278	123,066,775	3,745	49,980,982
Closing	<u>258,444</u>	<u>9,085,508,028</u>	<u>194,490</u>	<u>5,192,071,349</u>

10 OPERATING FIXED ASSETS	Note	2015	2014
		Rupees	Rupees
Capital work-in-progress	10.1	45,226,148	15,475,513
Property and equipment	10.2	173,505,808	182,260,390
Intangible assets	10.3	2,694,750	25,074,430
		<u>221,426,706</u>	<u>222,810,333</u>
10.1 Capital work-in-progress			
Civil works		45,226,148	15,475,513
		<u>45,226,148</u>	<u>15,475,513</u>

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NRSP MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

10.2 Property and equipment

Particulars	COST		DEPRECIATION			Net Book Value as at December 31, 2015	Rate of depreciation (%)
	As at January 01, 2015	Additions / (deletion) / revaluations	As at January 01, 2015	Charge / (deletion) / impairment	As at December 31, 2015		
Furniture and fixtures	90,737,717	10,880,675 (269,611)	19,131,582	9,596,982 (101,475)	28,627,089	72,721,692	10
Office equipment	69,789,800	6,620,370 (437,282)	30,129,118	14,585,800 (511,542)	44,203,376	31,769,512	20
Computer equipment	92,065,012	8,385,024 (1,560,175)	67,793,290	21,532,298 (1,285,853)	88,039,735	10,850,126	33.33
Vehicles	65,826,770	841,545 (4,095,755)	55,390,128	13,373,341 (3,238,558)	45,524,911	17,047,649	20
	318,419,299	26,727,614 (6,362,823)	152,444,118	59,088,421 (5,137,428)	206,395,111	132,388,979	
Asset held under finance lease							
Vehicles	17,734,799	30,687,644	1,449,590	5,856,024	7,305,614	41,116,829	20
Total Property and Equipment	336,154,098	57,415,258 (6,362,823)	153,893,708	64,944,445 (5,137,428)	213,700,725	173,505,808	

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Rupees

Particulars	COST		DEPRECIATION		Net Book Value as at December 31, 2014	Rate of depreciation (%)
	As at January 01, 2014	Additions / (deletion) / revaluations As at December 31, 2014	As at January 01, 2014	Charge / (deletion) / impairment As at December 31, 2014		
Furniture and fixtures	73,073,429	17,668,479 (4,191)	10,736,775	8,396,169 (1,362)	19,131,582	10
Office equipment	59,723,547	10,148,237 (81,984)	17,372,554	12,809,073 (52,509)	30,129,118	20
Computer equipment	83,087,077	8,977,935	41,136,242	26,657,048	67,793,290	33.33
Vehicles	58,845,086	9,985,595 (3,003,911)	24,729,257	11,845,064 (1,184,193)	35,390,128	20
	274,729,139	46,780,246 (3,090,086)	93,974,828	59,707,354 (1,238,064)	152,444,118	165,975,181
Asset held under finance lease						
Vehicles	-	17,734,799	-	1,449,590	1,449,590	16,285,209
Total Property and Equipment	274,729,139	64,515,045 (3,090,086)	93,974,828	61,156,944 (1,238,064)	153,893,708	182,260,390

Rupees

10.2.1 Details of disposal of operating fixed assets

The information relating to disposal of operating fixed assets required to be disclosed as part of the financial statements by the **BSO Circular No. 11 of 2003** is given in Annexure-I and is an integral part of these financial statements.

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NRSP MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

10.3 Intangible assets

Particulars	COST		AMORTIZATION		Net Book Value as at December 31, 2015	Rate of amortization (%)
	As at January 01, 2015	Additions	As at January 01, 2015	Amortization December 31, 2015		
Computer Software	114,149,745	1,735,000	89,075,315	24,114,680	113,189,995	33.33
	<u>114,149,745</u>	<u>1,735,000</u>	<u>89,075,315</u>	<u>24,114,680</u>	<u>113,189,995</u>	<u>2,694,750</u>

-----Rupees-----

Particulars	COST		AMORTIZATION		Net Book Value as at December 31, 2014	Rate of amortization (%)
	As at January 01, 2014	Additions	As at January 01, 2014	Amortization December 31, 2014		
Computer Software	111,742,078	2,407,667	53,118,811	35,956,504	89,075,315	33.33
	<u>111,742,078</u>	<u>2,407,667</u>	<u>53,118,811</u>	<u>35,956,504</u>	<u>89,075,315</u>	<u>25,074,430</u>

-----Rupees-----

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11	OTHER ASSETS	Note	2015 Rupees	2014 Rupees
	Mark-up accrued on advances		495,972,026	324,840,912
	Mark-up accrued on bank deposits		9,282,412	15,283,383
	Accrued income on investment		705,205	2,755,275
	Advances to employees			
	- Personal	11.1	32,382,985	35,173,240
	- Operational		1,448,234	1,783,154
	Advances to suppliers		50,671,328	32,579,057
	Prepayments		64,192,300	36,343,701
	Advance tax		-	16,342,961
	Receivable from National Rural Support Programme (NRSP)		725,919	259,878
	Insurance receivable		6,360,397	5,164,570
	Other receivables		20,155,103	2,523,043
			<u>681,895,909</u>	<u>473,049,174</u>

11.1 This represents interest bearing loans made to employees of the Bank carrying interest at the rate of 10.91% (2014: 10%) per annum. Further this also includes Rs. 33.77 million (2014: 27.815 million) as present value of minimum lease payments receivables for vehicles leased by the Bank to its employees as per the Bank's policy. The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest rate contracted is 5.00% per annum.

12	DEFERRED TAX ASSET - NET	2015 Rupees	2014 Rupees
	Deferred debits arising in respect of		
	Amortization allowance	653,612	610,086
	Accelerated depreciation allowance	3,928,164	-
	Actuarial effect on defined benefit plan	1,791,936	-
	Provision against advances	-	-
	Grants	3,349,458	16,245,406
		<u>9,723,170</u>	<u>16,855,492</u>
	Deferred credits arising in respect of		
	Accelerated depreciation allowance	-	2,520,799
	Leased assets	2,350,500	834,274
	Un-realized capital gain	5,363	3,773,566
		<u>2,355,863</u>	<u>7,128,639</u>
		<u>7,367,307</u>	<u>9,726,853</u>

13	DEPOSITS AND OTHER ACCOUNTS:	2015		2014	
	Note	No. of accounts	Amount Rupees	No. of accounts	Amount Rupees
	Fixed Deposits	15,660	2,739,833,234	407	1,862,712,613
	Saving Deposits	458,423	4,038,819,867	296,221	2,945,215,087
	Current Deposits	41,238	476,662,724	30,500	351,882,014
		<u>515,321</u>	<u>7,255,315,825</u>	<u>327,128</u>	<u>5,159,809,714</u>

13.1 This represents term deposit receipts carrying interest rates ranging from 6% to 15.39% (2014: 5% to 15.39%) per annum.

13.2 This represents saving accounts carrying interest rates ranging from 5.5% to 9% (2014: 6% to 8%) per annum.

13.3 Particulars of Deposits by Ownership

	2015		2014	
	No. of accounts	Amount Rupees	No. of accounts	Amount Rupees
1) Individual depositors	515,183	4,839,202,335	327,035	3,551,771,212
2) Institutional depositors				
a) Corporation / firms etc.	138	2,416,113,490	93	1,608,038,502
b) Banks & financial institutions	-	-	-	-
	<u>515,321</u>	<u>7,255,315,825</u>	<u>327,128</u>	<u>5,159,809,714</u>

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	Note	2015 Rupees	2014 Rupees
14 BORROWINGS			
Borrowings from Banks/Financial Institutions in Pakistan	14.1	3,212,500,000	3,259,791,370
Borrowings from Banks/Financial Institutions outside Pakistan	14.2	794,425,000	794,425,000
Borrowings from Govt. of Pakistan		-	-
Borrowings from Others	14.3	150,000,000	150,000,000
		<u>4,156,925,000</u>	<u>4,204,216,370</u>
14.1 Borrowings from Banks/Financial Institutions (Secured)			
JS Bank Limited (Term Finance)	14.1.1	150,000,000	250,000,000
JS Bank Limited (against PPAF PRISM I)	14.1.2	650,000,000	800,000,000
JS Bank Limited (against PPAF PRISM II)	14.1.3	712,500,000	800,000,000
JS Bank (Running Finance)	14.1.4	-	349,791,370
Pak Oman Investment Company Limited (TF I)	14.1.5	40,000,000	60,000,000
Pak Oman Investment Company Limited (TF II)	14.1.6	560,000,000	720,000,000
Askari Commercial Bank	14.1.7	200,000,000	280,000,000
Syndicated Term Finance (Silk Bank- Pak Kuwait- Pak China Investment)	14.1.8	900,000,000	-
		<u>3,212,500,000</u>	<u>3,259,791,370</u>

14.1.1 The purpose of this loan is to finance on-going business operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 500 million has been obtained from JS Bank Limited and secured against guarantee issued by the state bank of Pakistan in favour of the JS Bank Limited, securing 40% of the outstanding principal payable to JS Bank Limited as partial security for the obligations of the bank and a first hypothecation charge ranking pari passu with all prior charges on the present and future current assets of the bank with 25% and is repayable in ten equal semi annual installments of Rs. 50 million each commencing from June 06, 2012. This loan carries markup rate of 6 months KIBOR plus 2 percent per annum. The term of the loan is 5 years.

14.1.2 The purpose of this loan is to finance on-going business operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 800 million under term finance facility against PPAF PRISM I has been obtained from JS Bank Limited and secured against a demand promissory note, placement of deposit of Rs 500 million by Pakistan Poverty Alleviation Fund with the JS Bank Limited under the lien and a hypothecation charge on all the present and future current assets of the bank. The Principal amount of this loan is repayable in eleven equal installment of Rs. 25 million and remaining Rs. 525 million in last installment. This loan carries markup rate at one months KIBOR plus 1.5 percent per annum. The term of the loan is 1 year commenced from June 23, 2015.

14.1.3 The purpose of this loan is to finance on-going business operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 800 million under term finance facility against PPAF PRISM II has been obtained from JS Bank Limited and secured against a demand promissory note, placement of deposit of Rs 500 million by Pakistan Poverty Alleviation Fund with the JS Bank Limited under the lien and a hypothecation charge on all the present and future current assets of the bank. The Principal amount of this loan is repayable in eleven equal installment of Rs. 25 million and remaining Rs. 525 million in last installment. This loan carries markup rate at one months KIBOR plus 1.5 percent per annum. The term of the loan is 1 year commenced from September 30, 2015.

14.1.4 The purpose of this loan is to finance on-going business operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 350 million under running finance facility has been obtained from JS Bank Limited and secured against a demand promissory note and a first pari passu hypothecation charge on the present and future current assets of the bank with 25% margin. The principal amount is repayable at the end of the term. This carries markup at the rate of one month KIBOR plus 1.5 percent per annum. The loan has been repaid as at December 31, 2015.

14.1.5 The purpose of this loan is finance on-going operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 100,000,000 has been obtained from Pak Oman Investment Company Limited and secured by a partial guarantee of 40% on outstanding principal amount provided by State Bank of Pakistan and a pari passu charge on present and future current assets of the bank with 25% margin. Principal amount is repayable in ten equal semi annual installments of Rs. 10 million and carries markup rate of six month KIBOR plus 2 percent per annum. The term of the loan is 5 years commenced from October 15, 2012 .

14.1.6 The purpose of this loan is to finance on-going business operations of the bank and related services operations. The loan of Rs. 800,000,000 has been obtained from Pak Oman Investment Company Limited and secured by a partial guarantee of 40% on outstanding principal amount provided by State Bank of Pakistan and a pari passu charge on present and future current assets of the bank with 25% margin. Principal amount is repayable in ten equal semiannual installments of Rs. 80 million and carries markup rate of six month KIBOR plus 1.85 percent. The term of this loan is 5 years commenced on April 16, 2014.

14.1.7 The purpose of this loan is to finance on-going operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 400 million has been obtained from Askari Bank Limited and secured against first pari passu charge on the present and future current assets of the bank with 25% margin and a partial guarantee of 40% is given by the State Bank of Pakistan on the principle outstanding. Principal amount is repayable in ten equal semiannual of Rs. 40 million and carries markup at the rate of six month KIBOR plus 2 percent per annum. The term of this loan is 5 years commenced from July 02, 2013.

14.1.8 The purpose of this syndicated term finance loan is to finance on-going operations of the bank as permitted by its memorandum and articles of association. The loan of Rs. 900 million has been obtained from Silk Bank, Pakistan Kuwait Investment Company (Pvt.) Limited & Pak China Investment Company Limited for amounting of Rs. 500 million, 250 million and 150 million respectively and secured against first pari passu charge on the present and future current assets of the bank with 25% margin and a partial guarantee of 40% is given by the State Bank of Pakistan on the principle outstanding. Principal amount is repayable in six equal semiannual of Rs. 150 million and carries markup at the rate of six month KIBOR plus 1.85 percent per annum. The term of this loan is 3 years commenced from July 23, 2015.

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14.2 Borrowings from Banks/Financial Institutions	Note	2015 Rupees	2014 Rupees
ECO Trade And Development Bank :			
First Tranche	14.2.1	542,250,000	542,250,000
Second Tranche	14.2.2	252,175,000	252,175,000
		<u>794,425,000</u>	<u>794,425,000</u>

14.2.1 This represents borrowings from ECO Trade and Development Bank of USD 5 million. This loan has grace period of two years and principal amount to be repaid in two equal semiannual installments of USD 2.5 million each commencing from June 07, 2016. The term of this loan is 3 years. The loan carries markup at the rate six month USD BBA LIBOR plus a spread of 2.5% per 360 days.

The bank has entered into a currency SWAP agreement with JS Bank Limited for the loan. Under this currency SWAP agreement USD 5 million were translated at the exchange rate of Rs. 108.45 (Rs. 542,250,000) and the loan will be repaid into equal installments of USD 2.5 million, each to be made semi annually commencing from June 06, 2016. Further under this arrangement the interest is payable at the rate of six month KIBOR plus a spread of 2.39% per annum.

14.2.2 This represents borrowings from ECO Trade and Development Bank of USD 2.5 million. This loan has grace period of two years and principal amount to be repaid in two equal semiannual installments of USD 1.25 million each commencing from June 29, 2016. The term of this loan is 3 years. The loan carries markup at the rate six month USD BBA LIBOR plus a spread of 2.5% per 360 days.

The bank has entered into a currency SWAP agreement with JS Bank Limited for the loan. Under this currency SWAP agreement USD 2.5 million were translated at the exchange rate of Rs. 100.87 (Rs. 252,175,000) and the loan will be repaid into equal installments of USD 1.25 million, each to be made semi annually commencing from June 29, 2016. Further under this arrangement the interest is payable at the rate of six month KIBOR plus a spread of 2.09% per annum.

14.3 Pakistan Poverty Alleviation Fund (Reflows III)	Note	2015 Rupees	2014 Rupees
	14.3.1	150,000,000	150,000,000
		<u>150,000,000</u>	<u>150,000,000</u>

14.3.1 This loan amounting of Rs. 150 million is obtained from Pakistan Poverty Alleviation Fund (PPAF) solely for the purpose of on-lending of micro credit to the borrowers. The loan is secured against first charge on all assets / capital items creating out of the proceeds of the loan. The loan carries markup at the rate of 6 month KIBOR plus 1.5 percent with a floor of 9 percent. The term of this loan is 2 years with a grace period of one years and the principal amount is paid at the end of the term.

15 OTHER LIABILITIES	Note	2015 Rupees	2014 Rupees
Mark up payable to financial institutions		44,073,105	75,487,347
Mark up payable on Deposits and Other accounts		94,261,721	67,405,979
Payable to defined benefit plan			
Staff gratuity	15.1	40,415,755	43,657,091
Accumulated compensated absences	15.2	40,679,512	31,150,291
Withholding tax payable		9,549,423	4,041,010
Income tax payable		246,600	-
Liability against finance lease of assets		11,456,819	21,376,011
Liability under finance lease	15.3	33,771,518	13,757,105
Accrued expenses		22,727,170	39,559,131
Payable to NRSP		7,524,560	2,133,015
Payable to Suppliers		8,008,722	8,696,286
Others		37,025,656	222,683
		<u>349,740,561</u>	<u>307,485,949</u>

15.1 Staff gratuity

i) Amounts recognized in the balance sheet

Present value of defined benefit obligations	106,883,110	75,834,651
Fair value of plan assets	(66,467,355)	(32,177,560)
Net liability	<u>40,415,755</u>	<u>43,657,091</u>

ii) Amounts recognized in the profit and loss account

Current service cost	29,131,983	22,173,152
Interest cost	7,935,106	5,344,484
Expected return on plan assets	(5,307,476)	(2,918,961)
	<u>31,759,613</u>	<u>24,598,675</u>

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	2015 Rupees	2014 Rupees
iii) Remeasurements Chargeable in Other Comprehensive Income		
Experience adjustments	4,582,119	8,795,668
Return on plan assets, excluding interest income	1,017,681	694,945
	<u>5,599,800</u>	<u>9,490,613</u>
iv) Changes in present value of defined benefit obligation		
Opening defined benefit obligation	75,834,651	43,953,400
Current service cost	29,131,983	22,173,152
Interest cost for the year	7,935,106	5,344,484
Benefits paid during the period/ year	(10,600,749)	(4,432,053)
Actuarial loss	4,582,119	8,795,668
Closing defined benefit obligation	<u>106,883,110</u>	<u>75,834,651</u>
v) Changes in fair value of plan assets		
Opening fair value of plan asset	32,177,560	14,953,544
Total contribution paid during the year	40,600,749	19,432,053
Expected return on plan assets for the year	5,307,476	2,918,961
Benefits paid during the year	(10,600,749)	(4,432,053)
Actuarial gain	(1,017,681)	(694,945)
Closing fair value of plan assets	<u>66,467,355</u>	<u>32,177,560</u>
vi) Changes in net liability as follows:		
Opening defined benefit obligation	43,657,091	28,999,856
Amounts recognized in the profit and loss account	31,759,613	24,598,675
Remeasurements chargeable in other comprehensive Income	5,599,800	9,490,613
Benefits paid during the year	(40,600,749)	(19,432,053)
	<u>40,415,755</u>	<u>43,657,091</u>
vii) Significant actuarial assumptions were as follows:		
Discount rate - per annum	10.00%	11.25%
Expected return on plan assets - per annum	10.00%	11.25%
Expected rate of increase in salaries - per annum	9.00%	10.25%
Mortality rate	SLIC 2001- 2005	SLIC 2001- 2005
Average expected remaining working life of employees	10 years	9 years
viii) Amounts for current and previous year		
Present value of defined benefit obligations	106,883,110	75,834,651
Fair value of plan assets	(66,467,355)	(32,177,560)
Deficit/(surplus)	<u>40,415,755</u>	<u>43,657,091</u>
15.2 Accumulated compensated absences		
Present value of accumulated compensated absence	40,679,512	31,150,291
Fair value of plan assets	-	-
Net liability	<u>40,679,512</u>	<u>31,150,291</u>
ii) Amounts recognized in the profit and loss account		
Current service cost	8,431,608	7,426,351
Interest cost	3,265,061	2,789,505
Remeasurements Adjustments	2,087,611	541,450
	<u>13,784,280</u>	<u>10,757,306</u>
iii) Changes in present value of defined benefit obligation		
Opening defined benefit obligation	31,150,291	22,522,470
Current service cost for the year	8,431,608	7,426,351
Interest cost for the year	3,265,061	2,789,505
Benefits paid during the period/ year	(4,255,059)	(2,129,485)
Actuarial (gain)/ loss	2,087,611	541,450
Closing defined benefit obligation	<u>40,679,512</u>	<u>31,150,291</u>

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iv) Significant actuarial assumptions were as follows:

Discount rate - per annum	10.00%	11.25%
Expected return on plan assets - per annum	10.00%	11.25%
Expected rate of increase in salaries - per annum	9.00%	10.25%
Mortality rate	SLIC 2001- 2005	SLIC 2001- 2005
Average expected remaining working life of employees	10 years	10 years
Average number of leaves accumulated - per annum	10 days	10 days

v) Amounts for current and previous year	2015 Rupees	2014 Rupees
Present value of defined benefit obligations	40,679,512	31,150,291
Fair value of plan assets	-	-
Deficit/ (surplus)	<u>40,679,512</u>	<u>31,150,291</u>
15.2.1 Re-measurement component - Net Actuarial Loss	(5,599,800)	(10,032,063)
Effect of taxation	1,791,936	-
	<u>(3,807,864)</u>	<u>(10,032,063)</u>

15.2.2 Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected rate of salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

Gratuity

- If the discount rate is 100 basis points higher / (lower), the defined benefit obligation would decrease by Rs. 10,160,333 / (increase by Rs. 12,356,639).
- If the expected rate of salary increases / (decreases) by 100 basis points, the defined benefit obligation would increase by Rs. 12,673,720 / (decrease by Rs. 10,614,769).

Compensated Absences

- If the discount rate is 100 basis points higher / (lower), the defined benefit obligation would decrease by Rs. 3,802,165 / (increase by Rs. 4,622,064).
- If the expected rate of salary increases / (decreases) by 100 basis points, the defined benefit obligation would increase by Rs. 4,500,610 / (decrease by Rs. 3,756,046).

Furthermore in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the balance sheet.

15.3 LIABILITY UNDER FINANCE LEASE	2015 Rupees	2014 Rupees
15.3.1 Finance lease liabilities		
Minimum lease payments:		
Not later than one year	10,896,240	4,203,887
Later than one year but not later than five years	31,535,159	14,688,273
	<u>42,431,399</u>	<u>18,892,160</u>
Less: Finance cost allocated to future period	8,659,881	5,135,055
	<u>33,771,518</u>	<u>13,757,105</u>
Present value of minimum lease payments		
Not later than one year	7,404,489	2,336,756
Later than one year but not later than five years	26,367,029	11,420,349
	<u>33,771,518</u>	<u>13,757,105</u>

15.3.2 Leasing arrangements

The bank leased certain of its vehicles under finance leases. The average lease term is 3- 5 years. The bank has option to purchase the vehicles for a nominal amount at the end of the lease term. The bank's obligations under finance leases are secured by the lessor's title to the leased assets. Interest rates underlying all obligations under finance leases are fixed at KIBOR plus 4.5% (2014: KIBOR Plus 4.5%) per annum.

16 SHARE CAPITAL

16.1 Authorized Capital

2015 (Number of shares)	2014	2015 (Rupees)	2014
<u>300,000,000</u>	<u>300,000,000</u>	<u>3,000,000,000</u>	<u>3,000,000,000</u>
			Ordinary shares of Rs. 10 each

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16.2 Issued, subscribed and paid-up capital		2015	2014	2015	2014
		(Number of shares)		(Rupees)	
		149,837,201	149,837,201	1,498,372,010	1,498,372,010
Ordinary shares of Rs. 10 each fully paid in cash					
16.2.1 The shareholders of the Bank are as follows:					
		2015	2014	2015	2014
		(Number of shares)		Rupees	
		77,999,400	77,999,400	779,994,000	779,994,000
		23,837,201	23,837,201	238,372,010	238,372,010
		16,000,000	24,000,000	160,000,000	240,000,000
		24,000,000	24,000,000	240,000,000	240,000,000
		8,000,000	-	80,000,000	-
		150	150	1,500	1,500
		150	150	1,500	1,500
		150	150	1,500	1,500
		75	75	750	750
		75	75	750	750
		149,837,201	149,837,201	1,498,372,010	1,498,372,010
17 SURPLUS ON REVALUATION OF ASSETS					
				Note	
				2015	2014
				Rupees	Rupees
	i) Federal & Provisional Government securities			-	-
	ii) Quoted shares			-	-
	iii) Other securities-TFC			16,760	1,498,750
	Related Deferred tax			(5,363)	-
				11,397	1,498,750
18 DEFERRED GRANTS					
	Opening balance			49,228,502	59,509,000
	Grant received from:				
	State Bank of Pakistan			18.1	2,044,439
	Pakistan Poverty Alleviation Fund			18.2	39,926,625
	Amortization of grant during the year			(80,732,511)	(38,062,723)
				10,467,055	49,228,502
18.1 This represents grant received from State Bank of Pakistan (SBP) under the Financial Innovation Challenge Fund (FICF) (2014: Institutional Strengthening Fund) for activities related to establishment of Islamic Banking.					
18.2 This represents grant received from Pakistan Poverty Alleviation Fund (PPAF) for facilitating farmers in selling their agriculture products to main market.					
19 MEMORANDUM / OFF BALANCE SHEET ITEMS					
There are no known commitments and contingent liabilities at year end (2014: Nil).					
20 MARK-UP / RETURN / INTEREST EARNED					
				Note	
				2015	2014
				Rupees	Rupees
	Mark-up / interest income on advances			1,940,871,134	1,603,278,052
	Mark-up / interest income on investment in Government securities			45,508,389	41,525,736
	Mark-up / interest income on bank deposits			60,236,624	69,599,961
	Others			7,317,945	16,832,667
				2,053,934,092	1,731,236,416
21 MARK-UP / RETURN / INTEREST EXPENSED					
	Markup on Deposits			370,683,704	303,004,117
	Loan Processing Charges			17,979,251	9,126,100
	Interest on borrowings			352,385,907	480,957,216
				741,048,862	793,087,433
22 FEE, COMMISSION AND BROKERAGE INCOME					
	Loan Processing Fee			359,592,196	180,693,995
	Other Transaction processing fee			31,950,030	7,323,060
				391,542,226	188,017,055
23 OTHER INCOME					
	Amortization of Deferred Grant			18	80,732,511
	Other Services Incomes			33,274,479	7,888,289
	Gain on disposal of operating fixed assets			2,359,759	611,073
	Investment Income			93,473,284	93,102,842
	Other			-	344,605
				209,840,033	140,009,532

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	Note	2015 Rupees	2014 Rupees
24 ADMINISTRATIVE EXPENSES			
Staff salaries and benefits		617,137,076	472,417,848
Non-executive directors expense		3,915,044	1,844,044
Training		9,682,085	3,536,116
Legal and professional charges		15,921,706	18,676,760
Communication		39,588,822	36,859,608
Repair and maintenance		6,435,003	3,810,660
Stationary and printing		26,849,531	17,836,083
Advertisement and publicity		2,814,244	2,855,558
Depreciation	10.2	64,944,445	61,156,944
Amortization	10.3	24,114,680	35,956,504
Staff travel		19,473,302	16,101,598
Fuel charges		48,500,844	66,248,887
Vehicle running and maintenance		17,301,124	18,800,649
Office supplies		4,482,768	4,591,799
Meetings and conferences		7,869,052	5,049,645
Utilities		24,221,679	21,874,844
Rent expenses		50,458,448	38,914,600
Corporate Social Responsibility		688,594	2,186,899
Insurance expenses		68,934,210	31,819,143
Security and administration		29,159,991	29,721,236
Auditor's remuneration	24.1	1,989,880	2,044,825
Core Banking Application Fee		21,611,137	18,353,232
Miscellaneous expenses		13,272,938	6,499,923
Finance charges on leased assets		2,173,435	1,055,247
		<u>1,121,540,038</u>	<u>918,212,652</u>
24.1 Auditors' Remuneration			
Audit fee		625,000	540,000
Fee for review of financial statements		500,000	480,000
Fee for special certification and advisory services		550,000	550,000
Out-of-pocket expenses		314,880	474,825
		<u>1,989,880</u>	<u>2,044,825</u>
25 TAXATION			
25.1 For the year			
Current		187,875,246	83,216,262
Deferred		4,146,119	14,724,412
		192,021,365	97,940,674
For prior year			
Current		(1,488,000)	(9,888,165)
Deferred		-	-
		(1,488,000)	(9,888,165)
		<u>190,533,365</u>	<u>88,052,509</u>
25.2 Relationship between tax expense and accounting profit:			
		%age	%age
Applicable tax rate		32.00	33.00
Tax effect of:			
Tax relating to prior years		(0.23)	(3.46)
Income charged at different rate of taxes		(2.44)	(6.69)
Effect of reduction in tax rates		0.05	-
Others		(0.10)	7.97
Average effective tax rate		<u>29.28</u>	<u>30.82</u>
26 EARNINGS PER SHARE			
Profit for the year (Rupees)		459,704,900	197,679,162
Weighted average ordinary shares (Numbers)		149,837,201	149,837,201
Basic and diluted earning per share (Rupees)		<u>3.07</u>	<u>1.32</u>

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27	CASII AND CASH EQUIVALENTS	2015	2014
		Rupees	Rupees
	Cash and balances with SBP and NBP	472,107,622	308,723,036
	Balances with other Banks / NBFIs / MFBs	1,752,697,769	1,686,937,820
		<u>2,224,805,391</u>	<u>1,995,660,856</u>
		Credit/ sales staff	Banking / support staff
		-----Numbers-----	
28	NUMBER OF EMPLOYEES		
	For the year ended December 31, 2015		
	Permanent	672	1,269
	Contractual	134	303
	Total	<u>806</u>	<u>1,572</u>
		Credit/ sales staff	Banking / support staff
		-----Numbers-----	
	For the year ended December 31, 2014		
	Permanent	611	1,178
	Contractual	127	251
	Total	<u>738</u>	<u>1,429</u>
29	NUMBER OF BRANCHES		
		-----Number-----	
	As at beginning of the year	58	54
	Opened during the year	9	4
	As at end of the year	<u>67</u>	<u>58</u>
30	REMUNERATION OF DIRECTORS AND EXECUTIVES	President	Directors
	For the year ended December 31, 2015	-----Rupees-----	
	Managerial remuneration	5,018,184	46,971,360
	Other benefits	-	1,320,643
	Provident fund contribution	501,816	3,776,087
	Charge for defined benefit plan	696,000	6,350,897
	Rent and house maintenance	2,258,184	21,137,140
	Medical	51,516	906,011
	Utilities	501,816	4,697,135
	Conveyance	501,816	4,697,176
	Leave encashment	690,000	6,126,897
	Bonus / Incentive	418,182	4,239,502
		<u>10,637,514</u>	<u>100,222,848</u>
	Number of persons	1	43
		President	Directors
	For the year ended December 31, 2014	-----Rupees-----	
	Managerial remuneration	5,018,184	32,287,268
	Other benefits	-	842,867
	Provident fund contribution	501,817	3,042,747
	Charge for defined benefit plan	681,000	4,364,612
	Rent and house maintenance	2,258,184	14,529,285
	Medical	173,045	494,000
	Utilities	501,816	3,228,626
	Conveyance	501,816	3,228,830
	Leave encashment	675,000	4,178,612
	Bonus / Incentive	-	405,523
		<u>10,310,862</u>	<u>66,602,370</u>
	Number of persons	1	34

30.1 The President and certain executives are provided with use of Bank maintained cars.

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31 RELATED PARTY TRANSACTIONS

The Bank's related parties comprise of directors, key management personnel, shareholders and entities over which the directors are able to exercise significant influence and employee gratuity fund. The detail of Bank's shareholders is given in note 16.2.1 while remuneration of key employee personnel is disclosed in note 30 to the financial statements. Transactions with the Bank's shareholders during the period were under normal commercial banking terms.

		2015 Rupees	2014 Rupees
Corporate social Responsibility	Project of NRSP	688,594	2,186,899
Purchases from Rohil Hand Loom	Project of NRSP	1,005,779	1,410,755
Funds Placement by (NRSP PF Trust)	NRSP Employee's Trust	312,600,000	200,000,050
Repayment to (PF Trust)		312,671,761	100,002,307
Profit Paid to (PF Trust)		717,610	22,564
Funds Placement by (NRSP MFBL PF Trust)	Employee's Trust	249,004,468	111,852,307
Repayment to (PF Trust)		215,325,992	83,830,799
Profit Paid to (PF Trust)		3,874,942	12,360,260
Funds Placement (GHAZI BAROTHA TARAQIATI IDARA)	Common Directorship	148,685,000	160,000,000
Repayment to (GHAZI BAROTHA TARAQIATI IDARA)		150,665,384	80,000,315
Profit Paid to (GHAZI BAROTHA TARAQIATI IDARA)		113,821	3,147
Funds Placement (INSTITUTE OF RURAL MANAGEMENT)	Parent's Subsidiary	649,533,388	1,210,911,058
Repayment to (INSTITUTE OF RURAL MANAGEMENT)		659,447,530	1,002,176,576
Profit Paid to (INSTITUTE OF RURAL MANAGEMENT)		5,731,048	189,405
Payment of rent to NRSP including advances	Parent Organisation	3,654,000	3,625,000
Contributions to gratuity fund	Employee's Trust	35,019,155	19,432,053
Contributions to provident fund	Employee's Trust	22,744,151	39,585,274
Funds Placement by (Gratuity Fund)	Employee's Trust	33,063,720	15,372,293
Repayment to (Gratuity Fund)		3,911,498	1,180,651
Profit Paid to (Gratuity Fund)		4,850,428	3,319,518
Funds Placement by (RSPN)	Common Directorship	1,609,652,676	1,300,000,000
Repayment to (RSPN)		1,562,577,593	1,277,105,302
Profit Paid to (RSPN)		17,781,136	23,194,827
Funds Placement (SRSO)	Common Directorship	3,830,147,583	1,216,251,184
Repayment to (SRSO)		3,800,938,180	1,189,913,904
Profit Paid to (SRSO)		33,697,463	72,004,613
Funds Placement (Employee Welfare Trust)	Employee's Trust	20,504,801	6,315,767
Repayment to (Employee Welfare Trust)		18,342,805	3,587,109
Profit Paid to (Employee Welfare Trust)		1,249,741	1,448,422
NRSP Natural Resource Management	NRSP Project	504,630	837,625
Repayment to (NRSP Natural Resource Management)		617,331	921,321
Profit Paid to (NRSP Natural Resource Management)		3,932	18,929
Funds Placement (Rohi Hand loom)	NRSP Project	143,237	2,802,175
Repayment to (Rohi Hand Loom)		142,652	2,914,714
Profit Paid to (Rohi Hand Loom)		142	3,689
Funds Placement (SRSO UC BPRP ENTERPRISE)	Common Directorship	6,185,938	1,074,693
Repayment to (SRSO UC BPRP ENTERPRISE)		9,146,503	29,163
Profit Paid to (SRSO UC BPRP ENTERPRISE)		463,939	291,119
Funds Placement (NRSP EMPLOYEES HOUSING COLONY)	Employee's Trust	3,089,500	198,798
Repayment to (NRSP EMPLOYEES HOUSING COLONY)		2,942,967	354,761
Profit Paid to (NRSP EMPLOYEES HOUSING COLONY)		34,464	17,507
		2015	2014
Balances outstanding at the year end:		Rupees	Rupees
Receivable from NRSP		725,919	259,878
Payable to NRSP		7,515,394	2,133,015
Institutional Deposits (RSPN)		415,052,118	350,195,899
Institutional Deposits (SRSO)		672,774,399	609,867,533
Institutional Deposits (Employee Welfare Trust)		17,914,601	14,502,864
Institutional Deposits (Gratuity Fund Trust)		66,467,354	32,464,704
Institutional Deposits NRSP Natural Resource Management		105,704	214,473
Institutional Deposits Rohi Hand loom		2,387	1,660
Institutional Deposits SRSO UC BPRP ENTERPRISE		2,044,920	4,541,546
Institutional Deposits (NRSP PF Trust)		100,666,156	100,020,307
Institutional Deposits (NRSP MFBL PF Trust)		138,525,100	100,971,682
Institutional Deposits NRSP Housing colony		227,864	46,867
Institutional Deposits (GHAZI BAROTHA TARAQIATI IDARA)		78,136,269	80,002,832
Institutional Deposits (INSTITUTE OF RURAL MANAGEMENT)		204,740,793	208,923,887

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The fair value of traded investments is based on quoted market prices, except for tradable securities classified by the Bank as 'held to maturity'. Quoted securities classified as held to maturity are carried at cost. Fair value of unquoted equity investments other than investments in associates and subsidiaries 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 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 5.4 to these financial statements.

The maturity profile is stated in note 33.

In the opinion of the management, the fair value of the remaining financial asset and liabilities are not significantly different from their carrying values since assets and liabilities are either short-term in nature or in the case of customer loans and deposits are frequently re-priced.

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 market 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. 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. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in units of mutual funds

(a) Financial instruments in level 2

Financial instruments included in level 2 comprise of Term Finance Certificates.

(a) Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

	2015		
	'Rupees'		
	Level 1	Level 2	Level 3
Financial assets - at fair value			
<i>Available for sale</i>			
Term Finance certificates	-	40,016,760	-
<i>Fair value through profit or loss</i>			
- Held for trading			
Mutual funds	1,713,360,481		

Valuation techniques and inputs used in determination of fair values within level 2

Item	Valuation technique and input used
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices as at the close of business day.
Term Finance Certificates	Investments in debt securities (comprising term finance certificates, bonds, sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan. In the determination of the rates, the MUFAP takes into account the holding pattern of these securities and categorises these as traded, thinly traded and non-traded securities.

SCHEDULE OF MATURITY OF MARKET RATE ASSETS AND LIABILITIES AS AT DECEMBER 31, 2015

	Total	Upto one month	Over one month upto six months	Over six months upto one year	Over one year
----- (Rupees)					
Market rate assets					
Advances-Net of Provision	8,999,191,316	43,893,764	1,880,452,706	2,548,655,737	4,526,189,109
Investment- Net of Provisions	2,171,796,032	1,728,360,481	20,016,760	283,993,452	139,425,339
Balances with other Banks - deposit accounts	1,564,946,729	1,468,946,729	96,000,000	-	-
Total market rate assets	12,735,934,077	3,241,200,974	1,996,469,466	2,832,649,189	4,665,614,448
Other non-earning assets					
Cash and balances with SBP	472,107,622	472,107,622	-	-	-
Balances with other Banks - current accounts	187,751,040	187,751,040	-	-	-
Operating fixed assets	221,426,706	-	-	-	221,426,706
Other assets	681,895,909	25,363,951	145,120,079	242,267,541	269,144,338
Deferred tax asset	7,367,307	-	-	7,367,307	-
Total non-earning assets	1,570,548,584	685,222,613	145,120,079	249,634,848	490,571,044
Total assets	14,306,482,661	3,926,423,587	2,141,589,545	3,082,284,037	5,156,185,492
Market rate liabilities					
Deposits	7,255,315,825	5,232,416,660	927,328,500	785,483,000	310,087,665
Borrowings	4,156,925,000	240,000,000	1,161,125,000	1,313,625,000	1,442,175,000
Total market rate liabilities	11,412,240,825	5,472,416,660	2,088,453,500	2,099,108,000	1,752,262,665
Other non-cost bearing liabilities					
Other liabilities	349,740,561	215,573,042	55,223,029	69,800,192	9,144,298
Total non-cost bearing liabilities	349,740,561	215,573,042	55,223,029	69,800,192	9,144,298
Total liabilities	11,761,981,386	5,687,989,702	2,143,676,529	2,168,908,192	1,761,406,963

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For the year ended December 31, 2014

	Total	Upto one month	Over one month upto six months	Over six months upto one year	Over one year
---(Rupees)---					
Market rate assets					
Advances-Net of Provision	5,125,177,047	210,443,973	1,038,490,410	2,001,968,972	1,874,273,692
Investment- Net of Provisions	3,971,191,370	3,464,981,659	15,000,000	40,000,000	451,209,711
Balances with other Banks - deposit accounts	1,662,094,153	1,662,094,153	-	-	-
Total market rate assets	10,758,462,570	5,337,519,785	1,053,490,410	2,041,968,972	2,325,483,403
Other non-earning assets					
Cash and balances with SBP and NBP	308,723,036	79,835,133	-	-	228,887,903
Balances with other Banks - current accounts	24,843,667	24,843,667	-	-	-
Operating fixed assets	222,810,333	-	-	-	222,810,333
Other assets	473,049,174	122,017,469	72,428,309	126,493,051	152,110,345
Deferred tax asset - net	9,726,853	-	-	9,726,853	-
Total non-earning assets	1,039,153,063	226,696,269	72,428,309	136,219,904	603,808,581
Total assets	11,797,615,633	5,564,216,054	1,125,918,719	2,178,188,876	2,929,291,984
Market rate liabilities					
Deposits	5,159,809,714	3,989,989,714	492,437,000	283,502,000	393,881,000
Borrowings	4,204,216,370	389,791,370	940,000,000	1,130,000,000	1,744,425,000
Total market rate liabilities	9,364,026,084	4,379,781,084	1,432,437,000	1,413,502,000	2,138,306,000
Other non-cost bearing liabilities					
Other liabilities	307,485,949	166,258,790	47,005,913	-	94,221,246
Total non-cost bearing liabilities	307,485,949	166,258,790	47,005,913	-	94,221,246
Total liabilities	9,671,512,033	4,546,039,874	1,479,442,913	1,413,502,000	2,232,527,246

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34 CAPITAL 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. Currently the Bank has paid up capital of Rs. 1,498.37 million. The minimum paid up capital requirement applicable to the Bank is Rs. 1,000 million. The bank has maintained capital adequacy ratio in accordance with regulation Number 1 of the Regulations which states that the Bank shall maintain capital equivalent to at least 15% of its risk-weighted assets. As at December 31, 2015, the Bank's net equity and Capital Adequacy Ratio stood at Rs. 2,611.44 million (2014: Rs. 2,120.39 million) and 21.29% (2014: 21%) respectively as against the minimum requirement of Rs. 1,000,000,000 and 15% prescribed by SBP.

The Bank will continue 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.

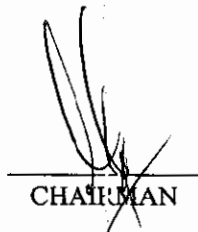
35 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on March 09, 2016

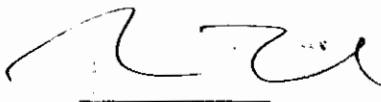
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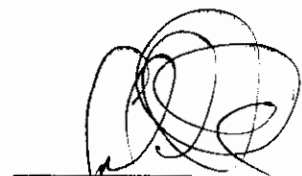
PRESIDENT



CHAIRMAN



DIRECTOR



DIRECTOR

Particulars	Cost	Book Value	Sale Proceed	Gain/Loss	Mode
Vehicles					
800 CC - Mehran (Reg # BRA-08-1374, Eng # B416433, Chassis # 954	318,391	57,156	220,000	162,844	Assets Auction
800 CC - Mehran (Reg # BRA-08-1576, Eng # B 421627, Chassis # 960	225,621	(18,792)	181,927	200,719	Assets Auction
2400 CC - Double Cabin (Reg # BRL-06-6557, Eng # 5625783, Chassis	425,000	21,248	606,000	584,752	Assets Auction
125 CC - Bike (Reg # BRK-07-3594, Eng # 6213501, Chassis # S 02867	36,120	1,806	27,500	25,694	Assets Auction
125 CC - Bike (Reg # BNH-07-7689, Eng # 3186206, Chassis # H-7581:	39,537	1,977	21,100	19,123	Assets Auction
125 CC - Bike (Reg # BNH-07-7693, Eng # 3186248, Chassis # H-7579:	38,780	1,939	23,100	21,161	Assets Auction
125 CC - Bike (Reg # BRK-07-2893, Eng # 8212349, Chassis # S 01673	42,763	2,138	20,100	17,962	Assets Auction
125 CC - Bike (Reg # BRK-08-1285, Eng # 3269787, Chassis # S 57628	34,019	1,701	23,000	21,299	Assets Auction
125 CC - Bike (Reg # BRK-07-2319, Eng # 8209085, Chassis # H 98438	38,507	1,926	27,495	25,569	Assets Auction
125 CC - Bike (Reg # BRK-04-234, Eng # 3041665, Chassis # D-35975 :	33,780	1,689	18,100	16,411	Assets Auction
125 CC - Bike (Reg # BRK-06-2562, Eng # 3053606, Chassis # D 46842	38,007	1,900	17,786	15,886	Assets Auction
125 CC - Bike (Reg # BRK-04-230)	42,284	2,114	18,111	15,997	Assets Auction
125 CC - Bike (Reg # BRK-07-3310, Eng # 3213460, Chassis # S 02809	27,937	1,397	23,799	22,402	Assets Auction
125 CC - Bike (Reg # BRK-07-3311, Eng # 3213456, Chassis # S 02805	44,324	2,216	22,390	20,174	Assets Auction
125 CC - Bike (Reg # BRK-07-3386, Eng # 3213596, Chassis # S 02940	39,246	1,962	20,100	18,138	Assets Auction
125 CC - Bike (Reg # BRK-07-4368, Eng # 3216163, Chassis # S 05506	42,678	2,134	26,000	23,866	Assets Auction
125 CC - Bike (Reg # BRK-07-4373, Eng # 3216432, Chassis # S 05773	42,699	2,135	21,500	19,365	Assets Auction
125 CC - Bike (Reg # BRK-07-4936, Eng # 3218943, Chassis # S 08183	33,669	1,683	20,100	18,417	Assets Auction
125 CC - Bike (Reg # BRK-07-5160, Eng # 3221248, Chassis # S 10378	47,685	2,384	20,100	17,716	Assets Auction
125 CC - Bike (Reg # BRK-07-5163, Eng # 6221134, Chassis # S 10281	42,554	2,128	24,100	21,972	Assets Auction
125 CC - Bike (Reg # BRK-08-5624, Eng # 3245413, Chassis # S 34145	45,178	2,259	24,200	21,941	Assets Auction
125 CC - Bike (Reg # BRK-08-5628, Eng # 3244915, Chassis # S 33649	45,178	2,259	35,550	33,291	Assets Auction
125 CC - Bike (Reg # BRK-08-5630, Eng # 3245368, Chassis # S 34106	45,178	2,259	26,999	24,740	Assets Auction
125 CC - Bike (Reg # BRK-08-5631, Eng # 3244886, Chassis # S 33629	45,499	2,275	17,500	15,225	Assets Auction
125 CC - Bike (Reg # BRK-08-5632, Eng # 3245340, Chassis # S 34088	45,499	2,275	18,500	16,225	Assets Auction
125 CC - Bike (Reg # BRK-08-5639, Eng # 3245442, Chassis # S 34160	34,019	1,701	20,100	18,399	Assets Auction
125 CC - Bike (Reg # BRK-08-5962, Eng # 3222830, Chassis # S 11976	51,008	2,551	23,000	20,449	Assets Auction
125 CC - Bike (Reg # BRK-08-5966, Eng # 3226739, Chassis # S 15900	48,508	2,425	18,500	16,075	Assets Auction
125 CC - Bike (Reg # BRK-07-5971, Eng # 3226765, Chassis # S 15910	53,292	2,665	18,500	15,835	Assets Auction
125 CC - Bike (Reg # BRK-08-6047, Eng # 3249272, Chassis # S 37795	44,784	2,239	20,100	17,861	Assets Auction
125 CC - Bike (Reg # BRK-08-6056, Eng # 3248979, Chassis # S 37511	36,135	1,807	18,500	16,693	Assets Auction
125 CC - Bike (Reg # BRK-08-6086, Eng # 3248938, Chassis # S 37476	36,135	1,807	20,100	18,293	Assets Auction
125 CC - Bike (Reg # BRK-07-6395, Eng # 3251654, Chassis # S 39927	47,999	2,400	17,500	15,100	Assets Auction
125 CC - Bike (Reg # BRK-08-6404, Eng # 3251671, Chassis # S 39990	40,178	2,009	26,100	24,091	Assets Auction
125 CC - Bike (Reg # BRK-08-6716, Eng # 3251885, Chassis # S 40230	38,807	1,941	19,100	17,159	Assets Auction

Particulars	Cost	Book Value	Sale Proceed	Gain/Loss	Mode
125 CC - Bike (Reg # BRK-08-6722, Eng # 3251914, Chassis # S 40254	36,307	1,815	20,200	18,385	Assets Auction
125 CC - Bike (Reg # BRK-08-6723, Eng # 3251919, Chassis # S 40259	30,000	1,500	24,500	23,000	Assets Auction
125 CC - Bike (Reg # BRK-08-7496, Eng # 3257181, Chassis # S 45614	45,178	2,259	23,000	20,741	Assets Auction
125 CC - Bike (Reg # BRK-08-7497, Eng # 3257058, Chassis # S 45600	45,178	2,259	20,500	18,241	Assets Auction
125 CC - Bike (Reg # BRK-08-8290, Eng # 3261044, Chassis # S 49176	54,039	2,702	28,999	26,297	Assets Auction
125 CC - Bike (Reg # BRK-08-8306, Eng # 3260838, Chassis # S 48964	40,199	2,010	20,900	18,890	Assets Auction
125 CC - Bike (Reg # BRL-08-1284, Eng # 3269817, Chassis # S 97656	50,054	2,503	27,000	24,497	Assets Auction
125 CC - Bike (Reg # BRL-08-1288, Eng # 3269800, Chassis # S 57639	44,019	2,201	23,100	20,899	Assets Auction
125 CC - Bike (Reg # BRL-08-1793, Eng # 3269972, Chassis # S 57806	32,902	1,645	19,000	17,355	Assets Auction
125 CC - Bike (Reg # BRL-08-3768, Eng # 3280897, Chassis # S 68736	36,519	1,826	25,299	23,473	Assets Auction
125 CC - Bike (Reg # BRM-06-2035, Eng # 3127347, Chassis # H 1797:	42,571	2,128	24,000	21,872	Assets Auction
125 CC - Bike (Reg # BRM-07-3273, Eng # 7008191, Chassis # BJ 0081	50,146	2,507	29,001	26,494	Assets Auction
125 CC - Bike (Reg # BRM-06-3289, Eng # 7008313, Chassis # BJ 0082	39,246	1,962	28,999	27,037	Assets Auction
125 CC - Bike (Reg # BRM-08-3707, Eng # 7008762, Chassis # BJ-008	45,389	2,270	27,750	25,480	Assets Auction
125 CC - Bike (Reg # BRM-06-782, Eng # 315173, Chassis # H 05962)	36,519	1,826	19,000	17,174	Assets Auction
125 CC - Bike (Reg # BRM-06-8847, Eng # 7011011, Chassis # BJ 0109	30,000	1,500	38,500	37,000	Assets Auction
125 CC - Bike (Reg # BRN-07-7922, Eng # 3176999, Chassis # H 6668:	40,441	2,022	20,100	18,078	Assets Auction
125 CC - Bike (Reg # BRO-07-2717, Eng # 3187396, Chassis # H 76921	38,007	1,900	18,786	16,886	Assets Auction
125 CC - Bike (Reg # BRO-07-2731, Eng # 3187343, Chassis # H 7687:	46,714	2,336	25,500	23,164	Assets Auction
125 CC - Bike (Reg # BRM-09-4294, Eng # 3339860, Chassis # U 2668	51,629	2,582	24,100	21,518	Assets Auction
125 CC - Bike (Reg # BRM-09-7638, Eng # 3350912, Chassis # U 3764:	79,230	3,962	34,400	30,439	Assets Auction
70 CC - Bike (Reg # BNH-07-7697, Eng # 4190099, Chassis # JC 35293	35,200	1,760	18,100	16,340	Assets Auction
70 CC - Bike (Reg # BRK-07-4478, Eng # 4313885, Chassis # JC-49899:	29,605	1,480	20,100	18,620	Assets Auction
796 CC - Mehran Car (Reg # BRA-14-210, Eng # 592443, Chassis # 11:	681,750	535,438	600,000	64,563	Insurance Claim
70 CC - Bike (Reg # BRK-13-8347, Eng # 5891964, Chassis # JE 41203:	71,030	52,291	44,000	(8,291)	Insurance Claim
70 CC - Bike (Reg # BRK-14-8339, Eng # 6187919, Chassis # JE-8518:	72,885	64,730	58,000	(6,730)	Insurance Claim

07

Office Equipment

Description	Purchased	Book Value	Sale Proceed	Gain/Loss	Mode
LG 14"	3,376	169	4,635	4,466	Assets Auction
LG 14"	3,374	169	5,000	4,831	Assets Auction
LG 14"	4,683	234	5,000	4,766	Assets Auction
LG 14"	4,536	227	5,000	4,773	Assets Auction
LG 14"	3,842	192	5,000	4,808	Assets Auction
Television Sony 21"	4,194	210	5,000	4,790	Assets Auction
Television LG 14"	3,282	164	5,000	4,836	Assets Auction
Television LG 14"	7,370	369	4,000	3,631	Assets Auction
Television LG 14"	2,160	108	2,000	1,892	Assets Auction
Television LG 14"	2,231	112	2,000	1,888	Assets Auction
TV Sony 21"	4,386	219	2,000	1,781	Assets Auction
Generator Honda EP 2500 CX	34,465	1,723	13,500	11,777	Assets Auction
Generator (Honda)	35,452	1,772	10,000	8,228	Assets Auction
Generator Honda EP-5000CX	24,591	1,230	10,000	8,770	Assets Auction
Generator EP-2500 CX 2.0 KVA	31,205	1,560	10,000	8,440	Assets Auction
Generator EP-2500 CX 2.0 KVA	38,365	1,918	10,000	8,082	Assets Auction
Generator Honda	32,170	1,608	10,000	8,392	Assets Auction
Honda EP 2500 CX	29,597	1,480	10,000	8,520	Assets Auction
Air Cooler	4,402	220	834	614	Assets Auction
Air Cooler (Jumbo)	4,257	213	834	621	Assets Auction
Air Cooler (Rado)	5,079	254	834	580	Assets Auction
Air Cooler	2,557	128	834	706	Assets Auction
Room Air Cooler (Millat)	5,156	258	834	576	Assets Auction
Room Air Cooler (Pak)	5,156	258	834	576	Assets Auction
Room Cooler	5,736	287	834	547	Assets Auction
Room Cooler	6,300	315	834	519	Assets Auction
Room Cooler Asia	3,884	194	834	640	Assets Auction
Room Cooler (Rado)	3,884	194	834	640	Assets Auction
Refrigerator (Dawalance) Stabilizer 3000 Watt	8,867	444	500	56	Assets Auction
Refrigerato (Dawalance)	14,748	737	800	63	Assets Auction
Refrigerator Dawlance	14,228	712	800	88	Assets Auction
Refrigerator	8,619	431	500	69	Assets Auction
Refrigerator (Dawa'ance) with Stabilizer 4500 Watt	18,812	941	1,000	59	Assets Auction
Refrigerator (Dawa'ance) Stabilizer 2200 Watt Panasonic	17,395	(3,357)	1,500	4,857	Assets Auction
Refrigerator (Pel) Stabilizer 1600 Watt	15,110	756	800	44	Assets Auction
Refrigerator Dawlance	17,513	876	1,000	124	Assets Auction
Bi-Cycle	6,300	735	1,500	765	Assets Auction

Furniture & Fixture

Description	Purchased	Book Value	Sale Proceed	Gain/Loss	Mode
Bed with mattress	3,440	1,806	3,000	1,194	Assets Auction
Bed with mattress	3,440	1,806	3,000	1,194	Assets Auction
Bed with mattress	3,440	1,806	3,000	1,194	Assets Auction
Bed with mattress	2,360	1,239	2,400	1,161	Assets Auction
Bed with mattress	2,110	1,108	2,200	1,092	Assets Auction
Bed with mattress	3,043	1,597	1,700	103	Assets Auction
Bed With Mattress	6,941	3,644	5,000	1,356	Assets Auction
Bed With Mattress	6,941	3,644	5,000	1,356	Assets Auction
Bed with mattress	2,281	1,197	1,300	103	Assets Auction
Bed With Mattress	2,874	1,509	2,700	1,191	Assets Auction
Bed With Mattress	2,874	1,509	2,700	1,191	Assets Auction
Bed With Mattress	2,874	1,509	2,700	1,191	Assets Auction
Bed with Mattress	2,755	1,446	2,700	1,254	Assets Auction
Bed with Mattress	3,022	1,587	2,700	1,113	Assets Auction
Bed with Mattress	2,778	1,458	2,600	1,142	Assets Auction
Bed with Mattress	2,359	1,238	1,400	162	Assets Auction
Bed with Mattress	2,359	1,238	1,400	162	Assets Auction
Bed with Mattress	2,359	1,238	1,400	162	Assets Auction
Bed with Mattress	2,109	1,107	1,200	93	Assets Auction
Bed with Mattress	2,109	1,107	1,200	93	Assets Auction
Bed with Mattress	2,109	1,107	1,200	93	Assets Auction
Bed with Mattress	2,109	1,107	1,300	193	Assets Auction
Bed with Mattress	2,068	1,086	1,300	214	Assets Auction
Bed with Mattress	2,068	1,086	1,300	214	Assets Auction
Bed with Mattress	2,127	1,117	1,300	183	Assets Auction

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Bed with Mattress	2,495	1,310	1,500	190	Assets Auction
Bed with Mattress	6,312	3,314	3,500	186	Assets Auction
Bed with Mattress	3,903	2,049	2,200	151	Assets Auction
Bed with Mattress	4,495	2,360	2,500	140	Assets Auction
bed with Mattress	3,635	1,908	2,100	192	Assets Auction
bed with Mattress	3,635	1,908	2,100	192	Assets Auction
bed with Mattress	3,635	1,908	2,100	192	Assets Auction
bed with Mattress	3,635	1,908	2,100	192	Assets Auction
Bed with Mattress	2,703	1,419	1,600	181	Assets Auction
Bed with Mattress	2,703	1,419	1,600	181	Assets Auction
Bed with Mattress	2,223	1,167	1,400	233	Assets Auction
Bed with Mattress	2,851	1,497	1,700	203	Assets Auction
Bed with Mattress	2,851	1,497	1,700	203	Assets Auction
Bed with Mattress	2,851	1,497	1,700	203	Assets Auction
Bed with Mattress	2,849	1,496	1,700	204	Assets Auction
Bed with Mattress	2,849	1,496	1,700	204	Assets Auction
Bed with Mattress	2,849	1,496	1,700	204	Assets Auction
Bed with Mattress	2,849	1,496	1,700	204	Assets Auction
Bed with Mattress	2,849	1,496	1,700	204	Assets Auction
SINGLE BED (wooden)	2,985	1,567	1,800	233	Assets Auction
SINGLE BED (wooden)	2,649	1,391	1,500	109	Assets Auction
Single Bed	2,422	1,272	1,400	128	Assets Auction
Single Bed	2,422	1,272	1,400	128	Assets Auction
Single Bed with Mattress	12,238	6,425	6,800	375	Assets Auction
Single Bed with Mattress	3,932	2,064	2,200	136	Assets Auction
Single Bed with Mattress	8,047	4,225	4,500	275	Assets Auction
Bed with Mattress	4,795	2,517	2,700	183	Assets Auction
Bed with Mattress	4,795	2,517	2,700	183	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,200	1,778	2,000	222	Assets Auction
Cot	2,000	1,617	2,000	383	Assets Auction
Cot	2,000	1,617	2,000	383	Assets Auction
Cot	2,000	1,617	2,000	383	Assets Auction
Cot	2,000	1,617	2,000	383	Assets Auction
Cot	2,000	1,617	2,000	383	Assets Auction
Cot	2,000	1,617	2,000	383	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Cot	2,200	1,870	2,000	130	Assets Auction
Pedestal Fan 24"	2,371	1,245	1,500	255	Assets Auction
Pedestal Fan 24"	2,734	1,436	1,500	64	Assets Auction
Ceiling Fan	2,900	2,465	2,500	35	Assets Auction
Ceiling Fan	2,900	2,465	2,500	35	Assets Auction
Pedestal Fan (Royal)	4,100	3,485	3,500	15	Assets Auction
Pedestal Fan (Royal)	4,100	3,485	3,500	15	Assets Auction
Pedestal Fan (Pak)	4,050	3,443	3,500	58	Assets Auction
Pedestal Fan (Pak)	4,050	3,443	3,500	58	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Ceiling Fan (Pak)	2,700	2,318	2,500	183	Assets Auction
Pedestal Fan (Pak)	4,000	3,433	3,500	67	Assets Auction

DJ

Computer Equipment

Description	Purchased	Book Value	Sale Proceed	Gain/Loss	Mode
Computer with LCD	11,797	115	1,000	885	Assets Auction
Computer	16,439	160	1,000	840	Assets Auction
Computer	11,713	114	1,000	886	Assets Auction
Computer with LCD (P-IV, 3.00 Ghz, 512 MB Ram)	10,902	106	1,000	894	Assets Auction
Computer with LCD (P-IV, 3.20 Ghz, 2 GB Ram, 80 GB Hard Disk)	16,777	163	1,000	837	Assets Auction
Computer with LCD (Core 2 Duo, 2.2 Ghz, 2 GB Ram)	19,183	187	1,000	813	Assets Auction
Computer	22,645	220	1,000	780	Assets Auction
Computer with LCD	7,866	76	1,000	924	Assets Auction
Computer with LCD	7,866	76	1,000	924	Assets Auction
Computer with LCD	7,866	76	1,000	924	Assets Auction
Computer with LCD (P-IV, 2.2 Ghz, 1 GB Ram)	13,361	130	1,000	870	Assets Auction
Computer with LCD	24,139	235	1,000	765	Assets Auction
Computer with LCD	28,826	280	1,000	720	Assets Auction
Computer with LCD	28,826	280	1,000	720	Assets Auction
Computer with LCD	28,826	280	1,000	720	Assets Auction
Computer with Monitor	28,826	280	1,000	720	Assets Auction
Computer with Monitor	28,826	280	1,000	720	Assets Auction
Computer with Monitor	16,008	156	1,000	844	Assets Auction
Computer with Monitor	37,625	366	1,000	634	Assets Auction
Computer with LCD (Pentium IV, 3.0 Ghz, 1GB Ram, 80 GB Hard Disk)	13,656	133	1,000	867	Assets Auction
Computer with Monitor	19,715	192	1,000	808	Assets Auction
Computer with LCD (P-IV, 2 GB Ram, 3.2 Ghz, 80 GB Hard Disk)	25,967	253	1,000	747	Assets Auction
Computer with Monitor	15,022	146	1,000	854	Assets Auction
Computer with Monitor	12,130	118	1,000	882	Assets Auction
Computer with Monitor	11,348	110	1,000	890	Assets Auction
Computer with Monitor	7,140	69	1,000	931	Assets Auction
Computer with Monitor	7,140	69	1,000	931	Assets Auction
Computer with Monitor	13,671	133	1,000	867	Assets Auction
Computer with Monitor	7,541	73	1,000	927	Assets Auction
Computer with Monitor	8,259	80	1,000	920	Assets Auction
Computer with Monitor	12,209	119	1,000	881	Assets Auction
Computer with LCD (Core 2 Duo 1.80 Ghz, 1 GB Ram)	32,679	318	1,000	682	Assets Auction
Computer with LCD	8,541	83	1,000	917	Assets Auction
Computer with LCD	18,502	180	1,000	820	Assets Auction
Computer with LCD	18,502	180	1,000	820	Assets Auction
Computer with LCD	15,395	150	1,000	850	Assets Auction
Computer with LCD	15,393	150	1,000	850	Assets Auction
Computer with LCD	20,829	202	1,000	798	Assets Auction
Computer with LCD	15,339	149	1,000	851	Assets Auction
Computer with LCD (Core 2 Duo, 1.8 Ghz, 512 MB Ram, 80 GB Hard D	9,761	95	1,000	905	Assets Auction
Computer with LCD	17,143	167	1,000	833	Assets Auction
Computer with LCD (Core 2 Duo, 2.80 Ghz, 2 GB Ram)	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD (Pentium D, 3.40 Ghz, 2 GB Ram, 80 GB Hard Dis)	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	29,400	-	1,000	1,000	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction

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Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,000	844	Assets Auction
Computer with LCD	16,000	156	1,786	1,630	Assets Auction
Computer System (Core 2 Duo 3.0 GHz, 2 GB RAM, 80 GB HDD)	11,291	8,155	8,155	-	As per Inter Office Memo
Computer System (Core 2 Duo 3.0 GHz, 2 GB RAM, 80 GB HDD)	11,291	8,155	8,155	-	As per Inter Office Memo
Computer System (Core 2 Duo 3.0 GHz, 2 GB RAM, 80 GB HDD)	11,291	8,155	8,155	-	As per Inter Office Memo
Computer System (Core 2 Duo 3.0 GHz, 2 GB RAM, 80 GB HDD)	11,291	8,155	8,155	-	As per Inter Office Memo
Scanner HP G 200	7,839	5,662	11,924	6,262	As per Inter Office Memo
HP Lasejet Pro 400 M401 DN Printer	36,270	26,195	26,195	-	As per Inter Office Memo
ups	3,987	39	1,000	961	Assets Auction
UPS	18,763	183	1,000	817	Assets Auction
UPS	2,871	28	1,000	972	Assets Auction
3 KVA UPS	71,282	49,502	49,502	-	As per Inter Office Memo
Blackberry Bold 9900 (Head Internal Audit)	33,000	12,833	15,166	2,333	Insurance Claim
Sony XPeria (Manager Finance)	20,500	8,542	8,097	(445)	Insurance Claim
I Phone 5s Gold 16 GB (Head HR)	33,000	28,417	28,417	-	Assets Auction
Wireless Bridge UBNT	15,000	10,417	10,417	-	As per Inter Office Memo
Wireless Bridge UBNT	15,000	10,417	10,417	-	As per Inter Office Memo
LCD 19"	5,850	4,225	4,225	-	As per Inter Office Memo
LCD 19"	5,850	4,225	4,225	-	As per Inter Office Memo
LCD 19"	5,850	4,225	4,225	-	As per Inter Office Memo
LCD 19"	5,850	4,225	4,225	-	As per Inter Office Memo
UPS (2 KVA Henden)	28,500	-	950	950	Assets Auction
UPS (2 KVA Henden)	28,500	-	1,000	1,000	Assets Auction
UPS (2 KVA Henden)	28,500	-	1,000	1,000	Assets Auction
UPS (2 KVA Henden)	28,500	-	1,000	1,000	Assets Auction
UPS (2 KVA Henden)	28,500	-	1,000	1,000	Assets Auction

Grand Total

6,362,823 1,225,409 3,585,154 2,359,745

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