

NRSP MICROFINANCE BANK LIMITED

**REVIEW OF CONDENSED INTERIM
FINANCIAL STATEMENTS**

**FOR THE HALF YEAR ENDED
JUNE 30, 2021**



A.F.FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of NRSP Microfinance Bank Limited
Report on review of Interim Financial Statements**

Introduction

We have reviewed the accompanying condensed interim balance sheet of NRSP Microfinance Bank Limited as at June 30, 2021 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement, and notes to the financial statements for the six month period then ended (here in after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's review report is Mr. JehanZeb Amin.

Chartered Accountants
Islamabad
Date: August 27, 2021

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NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM BALANCE SHEET (UNAUDITED)
AS AT JUNE 30, 2021

		June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	----- Rupees -----	
ASSETS			
Cash and balances with SBP and NBP		3,202,192,031	2,867,959,229
Balances with other Banks/ NBFIs /MFBs		5,651,110,253	4,933,304,012
Lending to financial institutions	7	495,835,000	1,494,680,500
Investments - net of provisions	8	8,595,565,462	8,637,899,021
Advances - net of provision	9	28,445,132,609	27,932,421,536
Operating fixed assets	10	1,538,566,581	1,673,856,241
Other assets		5,018,657,548	5,184,703,430
Deferred tax asset - net	11	493,496,553	436,336,658
Total Assets		53,440,556,037	53,161,160,627
LIABILITIES			
Deposits and other accounts	12	38,260,994,793	39,284,549,013
Borrowings	13	3,564,398,019	3,395,943,704
Subordinated debt		672,360,000	672,360,000
Other liabilities		5,220,816,017	4,297,853,297
Deferred tax liability - net		-	-
Total liabilities		47,718,568,829	47,650,706,014
Net assets		5,721,987,208	5,510,454,613
REPRESENTED BY			
Share capital		1,498,372,010	1,498,372,010
Statutory reserve		863,173,309	815,766,515
Depositors' protection fund		273,008,238	253,792,881
Unappropriated profit		3,080,205,251	2,929,766,103
		5,714,758,808	5,497,697,509
Surplus/ (deficit) on revaluation of assets		558,200	372,600
Deferred grants		6,670,200	12,384,504
Total capital		5,721,987,208	5,510,454,613

MEMORANDUM/ OFF-BALANCE SHEET ITEMS

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The annexed notes from 1 to 21 form an integral part of these financial statements.

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Signature

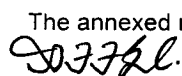
President/ Chief Executive

Signature
Director

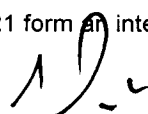
NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

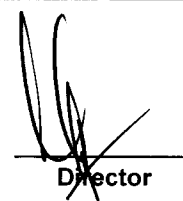
		Half Year Ended	
		June 30, 2021	June 30, 2020
		----- Rupees -----	
Note			
	Mark-up/ return/ interest earned	15 4,031,535,878	4,197,837,526
	Mark-up/ return/ interest expensed	16 (1,960,336,205)	(1,890,679,400)
	Net mark-up/ interest income	2,071,199,673	2,307,158,126
	Provision against non-performing loans and advances	9.4 (828,289,620)	(678,454,406)
	Provision for diminution in the value of investments	-	-
	Bad debts written off directly - net of insurance recoveries	9.5 (6,800,050)	(4,544,173)
		(835,089,670)	(682,998,579)
	Net mark-up/ interest income after provisions	1,236,110,003	1,624,159,547
	NON MARK-UP/ NON INTEREST INCOME		
	Fee, commission and brokerage income	17 360,610,810	299,536,316
	Dividend income	-	-
	Other income - net	252,262,911	174,140,104
	Total non mark-up/ non interest income	612,873,721	473,676,420
		1,848,983,724	2,097,835,967
	NON MARK-UP/ NON INTEREST EXPENSES		
	Administrative expenses	18 (1,555,144,613)	(1,626,918,071)
	Other charges	(6,852,754)	(854,171)
	Total non mark-up/ non interest expenses	(1,561,997,367)	(1,627,772,242)
		286,986,357	470,063,725
	Extra ordinary/ unusual items	-	-
	PROFIT/ (LOSS) BEFORE TAXATION	286,986,357	470,063,725
	Taxation - Current	(107,112,283)	(171,393,430)
	Prior year	-	-
	Deferred	57,159,895	38,838,719
		(49,952,388)	(132,554,711)
	PROFIT/ (LOSS) AFTER TAXATION	237,033,969	337,509,014
	Unappropriated profit/ (loss) brought forward	2,929,766,103	2,330,318,665
	Less: Other comprehensive income	(27,336,329)	(16,122,334)
	Profit available for appropriation	3,139,463,743	2,651,705,345
	APPROPRIATIONS		
	Transfer to:		
	Statutory reserve	(47,406,794)	(67,501,803)
	Depositors' protection fund	(11,851,698)	(16,875,451)
		(59,258,492)	(84,377,254)
	Unappropriated profit/ (loss) carried forward	3,080,205,251	2,567,328,091
	Earnings/ (loss) per share	1.58	2.25

The annexed notes from 1 to 21 form an integral part of these financial statements.



President/ Chief Executive




Director

NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

	Half Year Ended	
	June 30, 2021	June 30, 2020
Note	----- Rupees -----	
Profit/ (loss) after taxation	237,033,969	337,509,014
Other comprehensive income/ (loss)		
Items that will not be subsequently reclassified through profit and loss account :		
Loss on remeasurement of employees' retirement benefits - net of tax	(27,336,329)	(16,122,334)
Comprehensive income transferred to equity	209,697,640	321,386,680
Components of comprehensive income/ (loss) not reflected in equity		
Items that will be subsequently reclassified through profit and loss account :		
Surplus on revaluation of available for sale investments	558,200	1,173,180
	<u>210,255,840</u>	<u>322,559,860</u>

Surplus/ (deficit) on revaluation of available for sale investments is presented under a separate account below equity in accordance with the format of financial statements as prescribed under BSD Circular No. 11 dated December 30, 2003 issued by the State Bank of Pakistan (SBP).

The annexed notes from 1 to 21 form an integral part of these financial statements.

Signature

Signature

President/ Chief Executive

Signature

Director

NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

	Share capital	Capital reserves	Depositors' protection fund	Revenue reserve	Total
		Statutory reserve		Unappropriated profit	
	----- Rupees -----				
Balance as at January 01, 2020	1,498,372,010	657,079,488	198,412,206	2,330,318,665	4,684,182,369
Profit for the period	-	-	-	337,509,014	337,509,014
Other comprehensive income/ (loss) for the year	-	-	-	(16,122,334)	(16,122,334)
Total comprehensive income for the year	-	-	-	321,386,680	321,386,680
Transfer to statutory reserve	-	67,501,803	-	(67,501,803)	-
Transfer to depositors' protection fund:					
- 5% of the profit after tax for the year	-	-	16,875,451	(16,875,451)	-
- Return on investments - net of tax	-	-	9,794,740	-	9,794,740
	-	-	26,670,191	(16,875,451)	9,794,740
Balance as at June 30, 2020	1,498,372,010	724,581,291	225,082,397	2,567,328,091	5,015,363,789
Profit for the year	-	-	-	455,926,120	455,926,120
Other comprehensive income/ (loss) for the year	-	-	-	20,493,422	20,493,422
Total comprehensive income for the year	-	-	-	476,419,542	476,419,542
Transfer to statutory reserve	-	91,185,224	-	(91,185,224)	-
Transfer to depositors' protection fund:					
- 5% of the profit after tax for the year	-	-	22,796,306	(22,796,306)	-
- Return on investments - net of tax	-	-	5,914,178	-	5,914,188
	-	-	28,710,484	(22,796,306)	5,914,178
Balance as at December 31, 2020	1,498,372,010	815,766,515	253,792,881	2,929,766,103	5,497,697,509
Profit for the year	-	-	-	237,033,969	237,033,969
Other comprehensive income/ (loss) for the year	-	-	-	(27,336,329)	(27,336,329)
Total comprehensive income for the year	-	-	-	209,697,640	209,697,640
Transfer to statutory reserve	-	47,406,794	-	(47,406,794)	-
Transfer to depositors' protection fund:					
- 5% of the profit after tax for the year	-	-	11,851,698	(11,851,698)	-
- Return on investments - net of tax	-	-	7,363,659	-	7,363,659
	-	-	19,215,357	(11,851,698)	7,363,659
Balance as at June 30, 2021	1,498,372,010	863,173,309	273,008,238	3,080,205,251	5,714,758,808

The annexed notes from 1 to 21 form an integral part of these financial statements.

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President/ Chief Executive



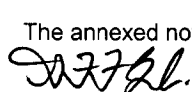
Director

Director

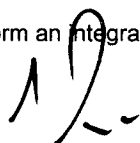
NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

Half Year Ended	
June 30, 2021	June 30, 2020
----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before taxation	286,986,357
Less : Dividend income	470,063,725
	-
	286,986,357
Adjustments for non-cash changes	
Depreciation	151,109,718
Amortization	27,876,512
Provision against non-performing advances	828,289,620
Advances directly written-off - net of insurance recoveries	6,800,050
Gain on sale/ redemption of securities	(273,176,956)
Unrealized exchange (gain) / loss	(12,714,334)
Unrealized loss on derivative financial asset	14,573,523
Loss on sale of fixed assets	401,905
Loss on Termination of Leased Agreements	1,319,021
Finance charges on leased assets	63,513,336
Amortization of deferred grants	(8,849,349)
Provision for gratuity and leave encashment	81,423,575
	880,566,621
	939,840,743
(Increase)/ decrease in operating assets	
Lending to financial institutions	998,845,500
Net investment in held for trading securities	-
Advances	(1,347,800,743)
Other assets (excluding advance taxation)	66,360,110
	(282,595,133)
	(2,075,688,400)
	5,227,421
	(1,946,866,515)
	(1,170,858,980)
	(5,188,186,474)
Increase/ (decrease) in operating liabilities	
Bills payable	717,359,357
Borrowings from financial institutions	272,835,903
Deposits	(1,023,554,220)
Other liabilities (excluding bills payable, current taxation, gratuity and leave encashment, finance lease)	167,389,844
	134,030,884
	(12,722,025)
	(468,127,942)
	6,676,766,230
	49,610,373
	6,245,526,636
Payment against provision held against off- balance sheet obligations	
Income tax paid	(80,651,664)
Gratuity and leave ensachment paid (including contributions)	(46,369,386)
	(151,918,455)
	(13,841,576)
Net cash flow from operating activities	891,967,679
	2,301,484,599
CASH FLOW FROM INVESTING ACTIVITIES	
Net investment in available-for-sale securities	869,389,550
Net investment in held-to-maturity securities	(562,623,790)
Investment in operating fixed assets	(33,015,944)
Sale proceeds from property and equipment disposed-off	326,375
	274,076,191
Net cash flow from/ (used in) investing activities	(1,850,269,360)
	110,957,644
	(45,030,632)
	210,263
	(1,784,132,085)
CASH FLOW FROM FINANCING ACTIVITIES	
Grants received	3,135,045
Net payments of lease obligations	(117,139,872)
	(114,004,827)
Net cash flow (used in) financing activities	(47,109,220)
Increase in cash and cash equivalents	1,052,039,043
Cash and cash equivalents at the beginning of the year	7,801,263,241
Cash and cash equivalents at the end of the year	8,853,302,284
	5,921,029,279

The annexed notes from 1 to 21 form an integral part of these financial statements.



President/ Chief Executive




Director

NRSP MICROFINANCE BANK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

1 STATUS AND NATURE OF BUSINESS

NRSP Microfinance Bank Limited (the Bank) was incorporated in Pakistan on October 22, 2008 as a public limited company under the Companies Ordinance, 1984 (repealed by the Companies Act, 2017). The Bank obtained license from the State Bank of Pakistan (SBP) on February 18, 2009 to operate, on nationwide basis, as a microfinance bank under Microfinance Institutions Ordinance, 2001. Certificate of commencement of business was issued by the Securities and Exchange Commission of Pakistan (SECP) on February 8, 2011 and certificate of commencement of business from SBP was received on February 28, 2011.

The Bank was established to mobilize funds for providing microfinance banking and related services to low income and underserved segment of society for mitigating poverty through providing access to financial markets at micro level.

The Bank's registered office is situated at 7th Floor, UBL Tower, Jinnah Avenue, Blue Area, Islamabad and principal place of business is situated at University Road, Bahawalpur. The Bank is operating 154 (2020: 154) branches including 40 (2020: 40) Islamic branches as at June 30, 2021.

National Rural Support Programme (NRSP) is holding company of the Bank which holds 57.40% (2020: 52.06%) shares of the Bank. During the period ended June 30, 2021, Acumen Capital Markets ILP sold its shareholding in the Bank to National Rural Support Programme.

2 BASIS OF PRESENTATION

- 2.1** These condensed interim financial statements of the Bank have been prepared, in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of the Companies Act, 2017, the Microfinance Institution Ordinance, 2001 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). Where, the requirements of the Companies Act, 2017, the Microfinance Institutions Ordinance, 2001 or directives issued by the SECP and the SBP differ with the requirements of IFRS, the requirements of the Companies Act, 2017, the Microfinance Institutions Ordinance, 2001, or the requirements of the said directives have been followed.
- 2.2** These condensed interim financial statements do not include all the information and disclosures required for the annual financial statements, and should be read in conjunction with the annual financial statements of the Bank as at December 31, 2020, which have been presented in accordance with the requirements of Banking Supervision Department (BSD) Circular No. 11 dated December 30, 2003 issued by the State Bank of Pakistan (SBP).
- 2.3** The financial results of the Islamic Microfinance Division (IMD) of the Bank have been consolidated in these financial statements for reporting purpose, after eliminating inter-branch transactions/balances. Key figures of the IMD, derived from the related accounting records of the Bank, are disclosed as Annexure-I to these financial statements for disclosure purpose only. The IMD results are to be separately reported upon for Shariah Compliance by the Shariah Advisor of the Bank as required by the SBP as per the conditions prescribed for the Bank to commence Islamic Microfinance operations.

3 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for Banks/DFIs/MFIs. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;

Signature

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Microfinance Institutions Ordinance, 2001 and the Companies Act, 2017; and
- Directives issued by the SBP and the SECP.

Wherever the requirements of the Microfinance Institutions Ordinance, 2001, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of the IFRSs or IFASs, the requirements of the Microfinance Institutions Ordinance, 2001, the Companies Act, 2017, and said directives shall prevail.

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2021. These are considered either not to be relevant or not to have any significant effect on the Bank's condensed interim financial statements.

As per the SBP's BPRD Circular Letter No. 24 dated July 5, 2021, the applicability of IFRS 9 to Microfinance Banks in Pakistan has been deferred to accounting periods beginning on or after January 1, 2022.

4 BASIS OF MEASUREMENT

These condensed interim 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, liabilities against assets subject to finance lease which are stated at present value.

4.1 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (PKR), which is the Bank's functional currency. All financial information presented in PKR has been rounded to the nearest of PKR, unless otherwise stated.

4.2 Significant accounting estimates

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2020.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2020.

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the annual financial statements for the year ended December 31, 2020.

Signature

		June30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	-----Rupees-----	
7 LENDING TO FINANCIAL INSTITUTIONS			
Call money lendings		-	-
Repurchase agreement lendings (Reverse repo)	7.1 & 7.2	495,835,000	1,494,680,500
		<u>495,835,000</u>	<u>1,494,680,500</u>

7.1 These are secured against underlying Market Treasury Bills. The differential between the contracted rate and resale price is amortised over the period of related contracts and recorded under mark-up / return / interest earned. These carried mark-up at the rate of 7.01% (2020: 7%) are due to mature in July 2021.

7.2 Securities held as collateral against lending to financial institutions

	Held by Bank	Further given as collateral	Total
As at June 30, 2021			
Market treasury bills (MTBs)	500,000,000	-	500,000,000
As at December 31, 2020			
Market treasury bills (MTBs)	1,500,000,000	-	1,500,000,000

		June30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	-----Rupees-----	
8 INVESTMENTS - NET OF PROVISIONS			
Held to maturity			
Federal Government Securities			
Market treasury bills (MTBs)	8.1	1,994,108,830	1,824,767,302
Ijarah Sukuks	8.2	303,638,882	252,774,020
		<u>2,297,747,712</u>	<u>2,077,541,322</u>
Term Deposit Receipts (TDRs)	8.3	<u>1,400,000,000</u>	<u>1,000,000,000</u>
		<u>3,697,747,712</u>	<u>3,077,541,322</u>
Available for sale			
Federal Government Securities			
Market treasury bills (MTBs)	8.4	4,897,259,550	5,559,985,099
Surplus on revaluation of available for sale investments		558,200	372,600
		<u>4,897,817,750</u>	<u>5,560,357,699</u>
Held for trading			
Mutual funds		-	-
		<u>8,595,565,462</u>	<u>8,637,899,021</u>

8.1 The T-Bills carry mark up at the rate of 7.28% to 7.33% (2020: 7.07% to 7.11%) per annum and are due to mature in August and September 2021.

8.2 Ijarah Sukuk carries mark up at the rate of 6.3% to 6.6% (2020: 6.3% to 6.6%) per annum and is due to mature in April and July 2025.

8.3 The TDRs carry mark up at the rate of 9.50% to 10.15% (2020: 10.15%) per annum and are due to mature in July and December 2021.

8.4 The T-Bills carry mark up at the rate of 7.29% to 7.35% (2020: 7.09% to 7.15%) per annum and are due to mature in July, August and September 2021.

Signature

9 ADVANCES - NET OF PROVISION

Loan type	Note	June 30, 2021 (Unaudited)		December 31, 2020 (Audited)	
		Number	Rupees	Number	Rupees
Micro credit		308,943	23,284,384,832	321,520	22,897,996,050
Islamic financing		20,564	6,455,816,159	22,099	6,391,843,703
		329,507	29,740,200,991	343,619	29,289,839,753
Less: Provision held					
Specific	9.1	12,038	(469,461,083)	11,944	(422,149,084)
General					-
Mandatory	9.2		(251,495,099)		(251,988,904)
Additional	9.3		(574,112,200)		(683,280,229)
			(1,295,068,382)		(1,357,418,217)
Advances - net of provisions			<u>28,445,132,609</u>		<u>27,932,421,536</u>

9.1 Particulars of non performing loans

Advances include Rs 1,641 million (2020: 1,242 million) which as detailed below, have been placed under non performing status.

Category of classification	June 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Amount outstanding	Provisions required	Provisions held	Amount outstanding	Provisions required	Provisions held
	-----Rupees-----			-----Rupees-----		
OAEM	859,352,142	-	-	360,870,373	-	-
Sub-Standard	127,688,213	31,216,255	31,216,255	112,396,535	27,373,697	27,373,697
Doubtful	411,476,909	204,210,348	204,210,348	739,430,189	365,545,398	365,545,398
Loss	242,914,915	234,034,480	234,034,480	29,594,988	29,229,989	29,229,989
	<u>1,641,432,179</u>	<u>469,461,083</u>	<u>469,461,083</u>	<u>1,242,292,085</u>	<u>422,149,084</u>	<u>422,149,084</u>

9.2 This represents general provision maintained against unsecured microcredit advances net of specific provision at the rate of 1 % (2020: 1%) in accordance with the requirement of Prudential Regulations issued by SBP.

9.3 In the view of the business challenges posed by the COVID-19 outbreak, the management has exercised prudence and recorded General provision of Rs 574.11 million during the period ended June 30, 2021, in addition to the statutory requirement of 1% on net of specific provisions and loans secured against gold or other collateral with appropriate margin. Further, the management believes that its current policies for managing credit, liquidity and market risk are adequate in response to the current situation.

9.4 Particulars of provision against non-performing advances

	June 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
	-----Rupees-----			-----Rupees-----		
Opening balance	422,149,084	935,269,133	1,357,418,217	141,715,892	256,433,405	398,149,297
Charge for the year	937,951,454	(109,661,834)	828,289,620	1,047,277,022	678,835,728	1,726,112,750
Amounts written off	(890,639,455)	-	(890,639,455)	(766,843,830)	-	(766,843,830)
Reversals	-	-	-	-	-	-
Closing balance	<u>469,461,083</u>	<u>825,607,299</u>	<u>1,295,068,382</u>	<u>422,149,084</u>	<u>935,269,133</u>	<u>1,357,418,217</u>

9.5 Particulars of advances written off

	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
Against provisions	890,639,455	766,843,830
Directly charged to profit & loss account	6,800,050	15,255,294
	<u>897,439,505</u>	<u>782,099,124</u>




		June30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	-----Rupees-----	
10 OPERATING FIXED ASSETS			
Capital work-in-progress		37,056,204	38,586,143
Property and equipment		712,291,428	772,607,071
Right-of-use assets	10.3	721,447,187	774,557,327
Intangible assets		67,771,762	88,105,700
		<u>1,538,566,581</u>	<u>1,673,856,241</u>
10.1 Carrying value at the beginning of the period / year		1,673,856,241	2,023,314,033
Additions during the period/ year	10.2	75,843,594	199,364,250
Disposals / deletion during the period/year at carrying value		<u>(32,147,024)</u>	<u>(159,636,323)</u>
		1,717,552,811	2,063,041,960
Depreciation or amortization for the period/ year		<u>(178,986,230)</u>	<u>(389,185,719)</u>
Carrying value at the end of the period / year		<u>1,538,566,581</u>	<u>1,673,856,241</u>
10.2 Additions during the period / year			
Additions :			
Freehold land		-	-
Furniture and fixtures		10,899,639	26,844,444
Office equipment		1,614,550	4,740,867
Computer equipment		14,286,257	12,573,735
Owned Vehicles		73,886	1,327,610
Leased Vehicles		129,010	343,483
Intangible assets		7,542,578	26,016,512
Right-of-use assets		41,297,674	127,415,732
Capital work-in-progress		-	101,867
		75,843,594	199,364,250
Transfer from capital work in progress		-	-
		<u>75,843,594</u>	<u>199,364,250</u>
10.3 Right-of-use assets			
Opening balance		774,557,327	938,753,610
Additions during the period		41,297,674	127,415,732
Deletions during the year		<u>(29,888,768)</u>	<u>(151,641,718)</u>
Depreciation charged during the period		<u>(64,519,047)</u>	<u>(139,970,297)</u>
Net book value at the end		<u>721,447,186</u>	<u>774,557,327</u>
11 DEFERRED TAX ASSET - NET			
Deferred tax asset arising on account of deductible temporary differences on:			
Accelerated depreciation allowance - owned assets		9,715,675	1,594,532
Lease liability		269,380,012	281,836,305
Deferred Grants		1,934,358	3,591,506
Un-realized exchange loss on borrowings		-	26,765,502
Provision for non-performing loans		375,569,831	393,651,283
Minimum tax		<u>57,103,372</u>	-
		713,703,248	707,439,128
Deferred tax liability arising on account of taxable temporary differences on:			
Accelerated depreciation allowance - leased assets		<u>(214,371,009)</u>	<u>(231,907,365)</u>
Amortization on intangible assets		<u>(80,906)</u>	<u>(8,861,594)</u>
Un-realized gain on derivative financial instrument		-	(26,583,511)
Un-realised mark-up on Government Securities		<u>(5,754,780)</u>	<u>(3,750,000)</u>
		(220,206,695)	(271,102,470)
		<u>493,496,553</u>	<u>436,336,658</u>

Signature

	June 30, 2021 (Unaudited)		December 31, 2020 (Audited)	
	No of accounts	Rupees	No of accounts	Rupees
12 DEPOSITS AND OTHER ACCOUNTS				
Conventional				
Current deposits	353,737	2,454,249,349	336,881	1,986,977,864
Saving deposits	788,281	10,928,511,293	794,398	9,445,938,775
Fixed deposits	5,985	18,054,735,667	6,429	21,042,751,342
	1,148,003	31,437,496,309	1,137,708	32,475,667,981
Islamic				
Current deposits	53,819	801,733,706	50,970	936,264,992
Saving deposits	21,039	2,026,988,045	21,204	2,577,613,007
Fixed deposits	3,025	3,994,776,733	2,508	3,295,003,033
	77,883	6,823,498,484	74,682	6,808,881,032
	1,225,886	38,260,994,793	1,212,390	39,284,549,013
12.1 Particulars of Deposits by ownership				
Individual depositors	1,222,724	15,578,599,164	1,209,534	15,232,223,488
Institutional depositors				
Corporation / firms etc.	3,014	18,070,488,229	2,699	18,636,030,920
Banks & financial institutions	148	4,611,907,400	157	5,416,294,605
	3,162	22,682,395,629	2,856	24,052,325,525
Total	1,225,886	38,260,994,793	1,212,390	39,284,549,013

12.2 Deposits include related parties balances amounting to Rs 3,374.42 million (2020: Rs 4,676.68 million) as disclosed in note 19.

	Note	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
		-----Rupees-----	
13 BORROWINGS			
Borrowings from Banks / Financial Institutions			
In Pakistan	13.1	3,564,398,019	3,128,648,870
Outside Pakistan	13.2	-	267,294,834
		3,564,398,019	3,395,943,704

13.1 Borrowings from Banks / Financial Institutions in Pakistan

Secured

Pak Oman Investment Company Limited (Term Finance)	13.1.1	-	55,555,552
Allied Bank Limited (Term Finance)	13.1.2	25,000,000	75,000,000
Askari Bank Limited (Running Finance)	13.1.3	340,397,720	349,397,720
Allied Bank Limited (Running Finance)	13.1.4	200,000,000	199,585,723
Faysal Bank Limited (Running Finance)	13.1.5	-	449,952,085
National Bank of Pakistan (Running Finance)	13.1.6	1,000,000,000	999,160,165
The Bank of Punjab (Running Finance)	13.1.7	500,000,000	500,000,000
Bank Alfalah Ltd (Running Finance)	13.1.8	499,000,299	499,997,625
The Bank of Punjab (Running Finance)	13.1.9	500,000,000	-
Pakistan Mortgage Refinance Company Limited (Term Finance)	13.1.10	500,000,000	-
		3,564,398,019	3,128,648,870

Saffar

- 13.1.1 The Bank entered into a loan agreement amounting to Rs 500 million with Pak Oman Investment Company Limited to finance its operations. The principal amount is repayable in nine equal semi-annual installments of Rs 55.55 million each commencing from June 30, 2017 and culminated in June 2021. Markup was charging at the rate of six months KIBOR+2.25% per annum payable on semi-annual basis.

This loan was secured against a demand promissory note and a First Pari Passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.2 The Bank entered into a loan agreement amounting to Rs 200 million with Allied Bank Limited to finance its operations. The loan has grace period of one year and principal amount is repayable in eight equal quarterly installments of Rs 25 million each commencing from December 2019 and culminating in September 2021. Markup is chargeable at the rate of three months KIBOR + 1.5% per annum payable on quarterly basis.

The loan is secured through a First Pari Passu charge with all prior charges on the present and future current assets of the Bank with 25% margin.

- 13.1.3 The Bank entered into running finance facility agreement amounting to Rs 350 million with Askari Bank Limited to finance its operations. The principal amount is repayable at the end of the term and carries mark-up at the rate of three months KIBOR + 1% per annum payable on quarterly basis. As at the period end, the facility has been fully availed (2020: Rs 394.40 million).

This loan is secured against a demand promissory note and a First Pari Passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.4 The Bank entered into running finance facility agreement amounting to Rs 200 million with Allied Bank Limited to finance its operations. The principal amount is repayable at the end of the term and carries mark-up at the rate of three months KIBOR + 1 per annum payable on quarterly basis. As at period end the facility has been fully availed (2020: Rs 199.6 million).

This loan is secured against a demand promissory note and a First Pari Passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.5 The Bank entered into running finance facility agreement amounting to Rs 500 million with Faysal Bank Limited to finance its operations. The principal amount is repayable at the end of the term and carries mark-up at the rate of three months KIBOR + 1% per annum payable on quarterly basis. As at the period end, no amount is outstanding on account of the Bank (2020: Rs 450 million).

This loan is secured against a demand promissory note and a First Pari Passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.6 The Bank entered into running finance facility agreement amounting to Rs 1,000 million with National Bank of Pakistan to finance its operations. The principal amount is repayable at the end of the term and carries mark-up at the rate of three months KIBOR + 0.75% per annum payable on quarterly basis. As at the period end, the facility has been fully availed by the Bank (2020: Rs 999.16 million).

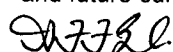
This loan is secured against a demand promissory note and a First Pari Passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.7 The Bank entered into running finance facility agreement amounting to Rs 500 million with the Bank of Punjab to finance its operations. The principal amount is repayable at the end of the term and carries mark-up at the rate of three month KIBOR + 1.25% per annum payable on quarterly basis. As at the year end, the facility was fully availed (2020: Rs 500 million).

This loan is secured against a demand promissory note and a hypothecated First pari passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.8 The Bank entered into running finance facility agreement amounting to Rs 500 million with Bank Alfalah Limited to finance its operations. The principal amount is repayable at the end of the term and carries mark-up at the rate of One month KIBOR %+1% per annum payable on quarterly basis. As at the period end, the facility was fully availed (2020: Rs 499.99).

This loan is secured against a demand promissory note and a hypothecated First pari passu charge on the present and future current assets of the Bank with 25% margin.



- 13.1.9** The Bank entered into a term finance facility loan agreement amounting to Rs 500 million with The Bank of Punjab to finance its operations. The principal amount is repayable in five equal semi-annual installments of Rs 100 million each commencing from June 15, 2022 and culminating in June 2024. Markup is chargeable at the rate of six months KIBOR+1.5% per annum payable on semi-annual basis.

This loan is secured against a demand promissory note and a hypothecated ranking pari passu charge on the present and future current assets of the Bank with 25% margin.

- 13.1.10** The Bank entered into a loan agreement amounting to Rs 500 million with Pakistan Mortgage Refinance Company Limited to participate into Government Mark-up Subsidy Scheme and Credit Guarantee Scheme. The interest will be payable in 40 quarterly installments commencing from September 30, 2021 and principal amount is repayable in 32 quarterly installments commencing from September 30, 2023. Markup rate is fixed for first five years it will be 6.50% and for next five years will be 8.50%.

This loan is secured against a demand promissory note and a hypothecated ranking pari passu charge on the present and future current assets of the Bank with 25% margin.

13.2 Borrowings from Banks / Financial Institutions outside Pakistan

		June30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	-----Rupees-----	
ECO Trade & Development Bank	13.2.1	-	175,000,000
Exchange Currency Swap - ECO Borrowing			92,294,834
		<u>-</u>	<u>267,294,834</u>

- 13.2.1** The Bank had entered into a loan agreement amounting to USD 10 million with ECO Trade and Development Bank on January 30, 2017 and the loan amount was received on April 18, 2017. The loan had a grace period of one year and principal amount is repayable in six equal semi-annual installments of USD 1.7 million each which commenced from October, 2018 and culminating on April 2021. The loan carried markup at the rate of six month USD LIBOR plus a spread of 2.7% per annum.

The Bank had entered into a cross currency swap and interest rate swap agreement with JS Bank Limited on April 5, 2017 to mitigate any foreign currency risk and interest rate risk.

14 MEMORANDUM / OFF BALANCE SHEET ITEMS

14.1 Contingencies and commitments

Except for the matter outlined in notes 14.1.1, there is no significant / material change in the status of contingencies and commitments of the Bank from the status outlined in the preceding audited annual financial statements for the year ended December 31, 2020.

- 14.1.1** The income tax assessment for the tax year 2018 was amended by the Assessing Officer Inland Revenue, whereby tax demand of Rs 52.30 million was raised. Major issues on which assessment was amended include disallowing the difference between provision against non-performing loans and actual write-offs against the aforesaid provision, partial disallowance of accounting gain on sale of assets, disallowance of charge for employees' leave encashment scheme and disallowance for foreign tax credit. The Bank filed appeal with the CIR(A) which was decided against the Bank. The Bank is in the process of filing appeal before the ATIR.

The management of the Bank is of the view that ultimate outcome of proceedings in respect of cases referred above are expected to be favorable to the Bank. The management further believes that liability, if any, arising on settlement of the aforementioned cases is not likely to be material.

Signature

	Half year ended	
	June 30, 2021	June 30, 2020
Note	-----Rupees-----	
15 MARK-UP / RETURN / INTEREST EARNED		
Interest / mark-up on		
Advances	2,889,181,438	3,326,223,798
Lending to financial institutions	43,427,037	17,090,905
Investments in government securities	273,176,956	79,967,132
Deposits accounts, placements with other bank / financial institutions	244,681,052	125,135,745
Employees' loan	3,907,811	5,721,048
Profit on Islamic financing	577,161,584	643,698,898
	<u>4,031,535,878</u>	<u>4,197,837,526</u>

16.1	1,527,866,376	1,385,337,755
	258,872,402	171,387,827
16.2	108,844,176	253,531,467
	1,234,890	2,589,366
	1,140,575	4,523,934
	62,372,761	73,301,819
	5,025	7,232
	<hr/>	<hr/>
	1,960,336,205	1,890,679,400

16.1 Mark-up expense on deposits includes amount of Rs 224.43 million (2020: 212.99 million) in respect of deposit account balances of related parties as disclosed in note 19.

16.2 It includes an amount of Rs 36.68 million (2020: Rs 57.60 million) in respect of markup expense on subordinated loan from a shareholder.

	Half year ended	
	June 30, 2021	June 30, 2020
Note	-----Rupees-----	
17 FEE, COMMISSION AND BROKERAGE INCOME		
Loan processing fee on advances	305,470,473	236,454,777
Other banking services fee	50,812,732	59,957,334
Commission Income	4,327,605	3,124,205
	<u>360,610,810</u>	<u>299,536,316</u>

Signature

	Half year ended	
	June 30, 2021	June 30, 2020
Note	-----Rupees-----	
18 ADMINISTRATIVE EXPENSES		
Staff salaries and benefits	791,668,656	796,763,000
Charge for defined benefit plans	81,423,575	73,014,569
Contribution for defined contribution plan	44,315,368	33,615,780
Incentives	77,965,336	111,556,668
Non-Executive directors' fee	1,700,000	2,330,717
Trainings	2,591,899	28,923,900
Legal and professional charges	13,262,052	38,592,756
Communication	35,702,308	35,105,923
Postage, courier etc.	5,346,203	4,013,830
Verification fee	11,079,457	11,824,433
Repair and maintenance	19,448,378	10,239,574
Stationary and printing	22,893,915	16,655,458
Advertisement and publicity	3,671,345	2,369,147
Depreciation	86,590,671	106,046,699
Amortization of intangibles	27,876,512	25,953,933
Amortization of Right-of-use assets	64,519,047	75,533,255
Staff travel	6,927,372	4,430,645
Fuel and power	41,630,966	32,977,408
Vehicle running and maintenance	10,431,185	11,455,855
Office supplies	4,563,122	3,657,081
Meetings and conferences	10,560,789	7,464,235
Utilities	29,198,291	23,808,959
Software license renewals and Flex Cube Maintenance Fee	30,904,018	32,046,808
Insurance expenses	63,109,159	73,064,001
Security and administration	54,697,810	52,033,106
Donations	-	-
Auditor's remuneration	1,136,250	2,769,065
Corporate social responsibility	220,384	222,796
Miscellaneous expenses	11,710,545	10,448,470
	<u>1,555,144,613</u>	<u>1,626,918,071</u>

19 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Bank is a subsidiary of National Rural Support Program (NRSP) which holds 57% share capital of the Bank while the other major shareholders of the Bank include International Finance Corporation (IFC), KfW Germany and Acumen Fund USA with a total shareholding of approximately 43%. Therefore, all subsidiaries and associated undertakings of NRSP are related parties of the Bank. Other related parties include staff retirement benefits, directors, key management personnel which include CEO and Head of Departments (HOD's) and entities under common directorship. All transactions involving related parties are subject to the approval of the Board of Directors.

Signature

Details of transactions and balances with related parties at the period end, other than disclosed elsewhere in these financial statements are as follows:

		June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
		-----Rupees-----	
Balances outstanding	Relationship with the related party		
Payable to NRSP	Parent Organisation	144,302,121	140,799,867
Sub-ordinated Debt from KfW	Shareholder	672,360,000	672,360,000
Markup accrued on Sub-ordinated Debt from KfW	Shareholder	435,780,505	399,095,983
Bank balance with Dubai Islamic Bank Limited	Common Directorship	943,648,210	1,232,856,846
Markup receivable from Dubai Islamic Bank Limited	Common Directorship	6,126,620	6,127,501
Payable to employees' gratuity fund	Employees' Trust	54,563,430	25,284,618
Payable to staff leave encashment fund	Employees' Trust	12,583,433	10,688,941
Receivable from employees' provident fund	Employees' Trust	57,905,181	-
Balance Maintained with Silk Bank Limited	Common Share holder	545,383,640	711,316
Call Money Lending to Bank Alfalah Limited	Common Directorship	-	996,709,000
Borrowing from Bank Alfalah Limited	Common Directorship	499,000,299	-
Reverse repo lending to Bank Alfalah Limited	Common Directorship	495,835,000	-
Deposits accounts contain amounts relating to following related parties:			
National Rural support programme	Parent Organization	52,198	50,766
Institute of Rural Management (IRM)	Parent Company's Subsidiary	1,877,134	1,052,078
Employees' Gratuity Fund	Employees' Trust	440,788,541	426,003,872
Employees' Provident Fund Trust	Employees' Trust	566,193,246	549,588,695
Employees' Welfare Trust	Employees' Trust	40,555,106	37,709,167
Employee Housing Colony	Employees' Trust	182,841	1,273,982
NRSP Contributory Provident Fund	Parent Company's Employees' Trust	1,078,841	653,199,016
NRSP Employees Gratuity Fund Trust	Parent Company's Employees' Trust	1,520,737	750,444,542
NRSP Rohi Handlooms	Parent Company's Project	3,283	3,211
NRSP Natural Resource Management	Parent Company's Project	443,901	720,177
Rural Support Programmes Network (RSPN)	Common Directorship	9,628	9,378
Sindh Rural Support Organization (SRSO)	Common Directorship	1,193,386,470	1,037,886,219
SRSO UC BPRP Enterprise	Common Directorship	663,337	442,192
Ghazi Barotha Tarqati Idara	Common Directorship	671,654,934	406,084,316
BRSP Endowment Funds	Common Directorship	326,377,656	399,627,801
Pakistan Microfinance Network	Common Directorship	-	-
NRSP Green Forest (Pvt) Limited	Parent Company's Subsidiary	619,677	89,600
NRSP Agriculture Processing Company Limited	Parent Company's Subsidiary	23,009,038	314,396,430
AJK Rural Support Programme	Common Directorship	54,891,721	53,534,020
Agha Khan Rural Support Programme	Common Directorship	27,210,048	18,272,754
Key management personnel		31,147,022	26,296,735
Half year ended			
		June 30, 2021	June 30, 2020
Transactions with related parties			
Payments made to NRSP	Parent Organisation	-	36,777,990
Markup paid to related parties on deposit accounts (net of tax)			
Institute of Rural Management (IRM)	Parent Company's Subsidiary	3,257	11,000,460
Employees' Gratuity Fund	Employees' Trust	14,784,669	3,364,875
Employees' Provident Fund Trust	Employees' Trust	4,192,121	8,764,082
Employees' Welfare Trust	Employees' Trust	436,994	1,120,019
Employee Housing Colony	Employees' Trust	20,187	58,429
NRSP Contributory Provident Fund	Parent Company's Employees' Trust	89,002,512	36,397,830
NRSP Employees Gratuity Fund Trust	Parent Company's Employees' Trust	83,248,526	44,440,265
NRSP Rohi Handlooms	Parent Company's Project	72	76
NRSP Natural Resource Management	Parent Company's Project	1,452	1,522
Rural Support Programmes Network (RSPN)	Common Directorship	82	347
Sindh Rural Support Organization (SRSO)	Common Directorship	17,520,227	75,392,259





		Half year ended	
		June 30, 2021	June 30, 2020
SRSO UC BPRP Enterprise	Common Directorship	36,859	15994
Ghazi Barotha Tarqati Idara	Common Directorship	1,070,758	2,940,281
BRSP Endowment Funds	Common Directorship	34,483,796	29,499,701
National Rural support programme	Parent Organization	805	938
NRSP Green Forest Pvt LTD	Parent Company's Subsidiary	8,200	-
NRSP Agriculture Processing Pvt LTD	Parent Company's Subsidiary	1,471,231	-
AJK Rural Support Programme	Common Directorship	1,357,701	-
Agha Khan Rural Support Programme	Common Directorship	937,294	-
Pakistan Microfinance Network	Common Directorship	-	-
Contribution to employees' gratuity fund	Employees' Trust	81,423,575	320,098,234
Contribution to employees' provident fund	Employees' Trust	44,315,368	11,266,289
Remuneration paid to key management personnel:			
Managerial remuneration		32,146,070	29,572,899
Rent and house maintenance		14,465,737	13,307,813
Utilities		3,214,607	2,957,297
Conveyance		3,214,607	2,957,297
Leave encashment		2,144,422	1,997,592
Other Allowance		717,000	720,000
Medical		2,092,287	528,736
Bonus/Incentive		1,876,289	8,654
Charge for defined benefit plan		4,342,785	4,045,867
Contribution to defined contribution plan		3,214,600	2,906,479
Remuneration paid to non-executive directors		1,700,000	2,330,717

20 NON-ADJUSTING EVENTS AFTER REPORTING DATE

20.1 After obtaining approval from SBP, the Bank obtained subordinated debt in the form of Term Finance Certificates (TFCs) amounting to Rs 770 million at the rate of three month KIBOR + 3% per annum, for a tenor of 7 years. Principal is repayable in four equal quarterly installments in the last year wherein Bank also has an option to make partial or bullet repayment after the expiry of 5 years subject to SBP approvals. Bank has obtained this facility to contribute towards Bank's Supplementary/Tier II Capital and Capital Adequacy Ratio (CAR) as per requirements of Prudential Regulations issued by SBP. The funds raised will be utilized for the Bank's on-going business expansion and growth plans as permitted by its memorandum and articles of association in line with applicable laws and regulations.

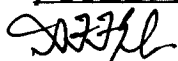
20.2 Subsequent to June 30, 2021, KfW has also sold its shareholding in the Bank to PROPARCO in the month of July 2021.

21 GENERAL

21.1 Figures have been rounded off to the nearest rupee.

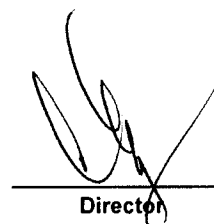
21.2 These financial statements were approved and authorised by the Board of Directors of the Bank in their meeting held on

AUGUST 26, 2021





President/Chief Executive



Director

NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2020

Key figures of the Islamic Microfinance Division, as referred to in note 2.3 of the financial statements.

A) Balance sheet as at June 30, 2020

	June 30, 2021 (Unaudited) Rupees	December 31, 2020 (Audited) Rupees
ASSETS		
Cash and Balances with SBP and NBP	1,408,271,154	1,293,446,129
Balances with Other Banks/NBFIs/MFBs	1,585,652,588	1,611,072,234
Investment- net of provisions	298,821,888	248,468,024
Islamic Financing and related assets - net of provisions	6,184,782,952	6,208,535,741
Operating fixed assets	500,285,974	533,305,366
Other assets	340,572,988	261,451,130
Total Assets	10,318,387,544	10,156,278,624
LIABILITIES		
Deposits and other accounts		
- Current accounts	801,733,706	936,264,992
- Saving accounts	2,026,988,045	2,577,613,007
- Term accounts	3,994,776,733	3,295,003,033
Other Liabilities	2,250,048,480	2,154,200,540
Total Liabilities	9,073,546,964	8,963,081,572
NET ASSETS	1,244,840,580	1,193,197,052
REPRESENTED BY:		
Islamic Banking Fund	440,000,000	440,000,000
Unappropriated profit	804,840,580	753,197,052
	1,244,840,580	1,193,197,052
B) Remuneration of the Shariah Advisor	600,000	1,200,000

Signature

Signature

President / Chief Executive

Signature

Director


NRSP MICROFINANCE BANK LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

Key figures of the Islamic Microfinance Division, as referred to in note 2.3 of the financial statements.

Profit and loss account for the half year ended June 30, 2021.

	June 30, 2021 Rupees	June 30, 2020 Rupees
Profit / return earned	722,801,107	682,322,615
Profit / return expensed	(258,872,402)	(193,070,785)
Net profit / return / income	463,928,705	489,251,830
Provisions against non-performing financing	(129,250,598)	(58,654,797)
Bad debts written off directly	(507,641)	(1,463,606)
	(129,758,239)	(60,118,403)
Net return earned after provisions	334,170,466	429,133,427
Fee, Commission and brokerage income	37,909,237	28,870,413
Other income	-	-
Total income for the period	372,079,703	458,003,840
OTHER EXPENSES		
Administrative expenses	(320,436,175)	(262,118,094)
	51,643,528	195,885,746
Extraordinary/unusual items	-	-
PROFIT BEFORE TAXATION	51,643,528	195,885,746

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President / Chief Executive



Director