

Save today for a
brighter tomorrow

فوشہ الی بینک لمیٹڈ
khushhalibanklimited

a quarterly newsletter of Khushhalibank

grassroots

July - September 2015 | Volume: XI – Edition III

Our 15th year marks the achievement of more than 4 million loans to Pakistanis across the country. We strive to support and rebuild ordinary lives by creating the right combination of circumstances through skills and infrastructure development, community empowerment, independence and enterprise. More proof that we're giving common people an uncommon advantage to realize their full potential. Which is why, Khushhalibank is more than a bank. It's a promise, a promise to opportunity.

INSIDE THIS ISSUE

02
President's Message

02
Quarterly Business Update July - September 2015

02
Khushhalibank Celebrates World
Entrepreneurs Day – 21 August 2015

03
KBL Board Meeting – 19 August 2015

03
Shandar Bachat Launched

04
KBL Call Center Launched

04
KBL Celebrated 15th Anniversary

05
KBL Sponsors PSHRM Awards 2015

05
KBL Extends Support to Namal College Students

06
MSME Update

06
Stories that Matter
Muhammad Asif

07
Picture Gallery (KBL Trainings)

Khushhalibank, the largest microfinance bank in Pakistan offers opportunities for investment in our deposit products featuring convenience and competitive returns.

khushhali
Aamdani
Certificate

khushhali
Izafa
Certificate

Behtrereen
Bachat
ACCOUNT

PROFIT UP TO
12%

Features

- Online banking facility
- Free life / disability insurance*
- ATM facility
- Profit paid monthly / annually

Network: 128 branches across Pakistan

Rating: Short term A-1 and Long Term A+

For further information:
021-111 222 525
www.khushhalibank.com.pk

فوشہ الی بینک لمیٹڈ
khushhalibanklimited

For Feedback & Comments e-mail: editorgassroots@kb.com.pk or Contact
Khushhalibank, 94 West, 4th Floor, Jinnah Avenue, Blue Area, Islamabad.
Telephone: 051-111-092-092 Fax: 051-9245120
www.facebook.com/pages/Khushhalibank-Limited-KBL/149403195094486
<https://twitter.com/KblLtd>

President's Message

This quarter of the year is marked by the celebrations of the Bank's anniversary but this year is special as the Bank completes 15 successful years in business.

We have set a new paradigm in the banking industry being the first microfinance bank in the country and with each passing year achieved new milestones, starting from limited microcredit operations to full retail commercial banking with ATM card & Call Centre and having the largest network in terms of portfolio and presence, initiating MSME lending catering to micro & small entrepreneurs and being one of the best rated microfinance institutions in the country.

All these achievements would not have been possible without my team's commitment, hard work and believing in the strength of the Institution at all times.

I wish to dedicate the success of Khushhali to its entire staff and specially those who have been with us over so many years.

Looking forward, I see a great future given the size of the market and the resilience of the Khushhali team and am confident that we will continue to be a pioneer and flagship institution in the Industry.

Best wishes.

Ghalib Nishtar



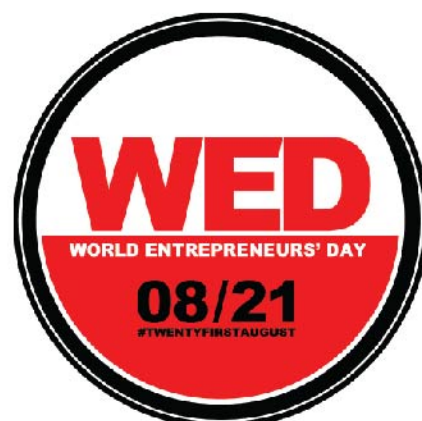
Quarterly Business Update July - September 2015

	Microcredit		Micro Savings		Micro-insurance	
	Active Borrowers	Value (PKR)	Active Savers	Value (PKR)	Policy Holders	Sum Insured (PKR)
2015-Q1	489,230	13,417,145,449	947,255	8,533,089,006	503,275	13,426,215,699
2015-Q2	492,950	14,882,050,424	1,015,043	11,060,091,369	539,854	16,467,040,424
2015-Q3	508,317	15,824,116,719	1,036,124	11,224,622,693	554,397	17,379,281,719

Khushhalibank Celebrates World Entrepreneurs Day – 21 August 2015

Khushhalibank celebrated the World Entrepreneurs Day on 21 August 2015. While addressing a group of journalists from the print media, Ghalib Nishtar, President KBL briefed about the contributions & achievements of the bank in the country's microfinance and now the MSME sector in terms of job creation & loan disbursements. He said "Entrepreneurs occupy a central position in a market economy as it acts as a catalyst for job creation and growth by stimulating economic growth". "We have successfully demonstrated that commercial business and social welfare can go together" he added. His address was followed by a question answer session by the journalists during which future disbursement plan and an expansion plan of 100 more branches in the current network of the bank was revealed by the President.

As the country's first MSME bank, Khushhalibank has been providing formal access to finance to Micro, Small & Medium



Enterprises in the country. The bank's aim has been to encourage lending to entrepreneurs, increase employment and promote agriculture & empowerment, reflecting the Bank's resolve to develop the MSME market and create broad based economic growth.

KBL Board Meeting – 19 August 2015

The Board meeting was held in the third quarter on 19 August 2015 at Islamabad. KBL presented quarterly financials of 2015, business review to the Board with particular emphasis of its roll out results of MSME and a high level five years strategic plan outlook.

The key highlights of review of quarterly operating results are summarized below,

Balance Sheet Review

- I. The total assets increased to 20.2Bn against the plan of 19.2Bn, an increase of 5%.
- II. Loans and Advances amounted to 14.7Bn as compared to the plan of 14.4Bn.
- III. Deposits increased by 21% to 11.1Bn against the plan of 9.2Bn. The increase in deposits was manifested in all three categories of CA, SA and TD.
- IV. Commercial borrowings were curtailed to 4.6Bn against the plan of 5.3Bn due to increased level of deposits. The additional credit lines of around 2Bn are under approval process with the ECO Bank and JS.



Operating Results

The Bank's first half Profit Before Tax of 575Mn is 8% less than the Plan of 626Mn. The major movements in Profit and Loss included the followings,

- a. The mark-up revenue 6th month increased to 2 Bn which is as per the plan.
- b. Interest expenses are 4% more than the plan primarily due to changes in the average deposit mix and increased volume of deposits as compared to the plan.
- c. Non-Interest income is behind the plan by 6% due to the lower level of loan processing fee as fewer loans were processed during the six months.

The Board reviewed the business progress of the six months and highlighted that KBL needs to continue focus on the on-going diversification of loan portfolio as well as expanding the deposit base which has been growing well and exceeding the budget but requires greater focus on building CASA in order to achieve sustainable business growth.

Shandar Bachat Launched

Khushhalibank launched a new loan product under the brand name of Shandar Bachat Scheme in July 2015 to attract and retain small savers from KBL's target market segment especially women in current account with an additional offer of loan facility for the purchase of livestock and enterprises. Shandar Bachat offering is available only for savers in current deposit account and loan value will be 2 times multiple of the amount marked as lien in Current Deposit Account.

This initiative will attract and retain deposit, improve share of Current Account in the bank's overall deposit portfolio, reduce overall deposit cost of the bank, divert a non-bankable segment especially women from an informal saving mechanism into a banking stream and provide loan facility for a depositor at lower interest rate with free health insurance facility.

Response is expected to be good as the product offers benefits such as Individual loan offering with lower interest rate and free health insurance apart from free cheque book, banker's cheques and online transfer facility on a monthly average balance of 25,000.

KBL Call Center Launched



24/7 Helpline
021-111 222 525

Khushhalibank
Only a call away!!!

Launch of Khushhali Call Centre
For the convenience of our customers

Launch of Khushhali Call Centre, now you can call the Khushhali Call Centre to get any information about our products and services.

- ATM Card Activation
- ATM Card De-activation
- Balance Inquiry
- Branch Information
- Product Information
- Charges Information
- Complaint Registration

Khushhalibank Call Center was launched in May 2015. The services are currently being hosted by UBL and the arrangement is in Karachi. Phone banking officers deputed at the center are exceptionally skillful & well-trained on the KBL products & services.

The well-abreast and dedicated call center team is available 24/7 and 365 days a year to ensure that the daily financial obligations are taken care of guaranteeing the customers a good night's sleep.

KBL Call Center provides round the clock services relating to customer's Bank Accounts, ATM cards, Products & Services Information & Complaint Lodging.

KBL Celebrated 15th Anniversary

Khushhalibank celebrated its 15th anniversary with fervor & zeal. The event was celebrated across the network with cake cuttings and display of anniversary bunting. An anniversary event themed in the corporate colors of the Bank was arranged at Islamabad.

Ghalib Nishtar, President Khushhalibank, addressed the participants of the event, focused on the achievements by the Bank and appreciated the staff

for being the source of strength. He said "Exactly 15 years ago we started from a small office and now we are the biggest network in the microfinance industry in Pakistan". "It was a long journey made easy by my core team believing in me and



remaining steadfast during challenging times." he thanked & appreciated the resilience and hardwork of his team members and the bank staff in general.

During the annual event, awards were distributed among staff completing 5 and 10 years of service. Appreciation awards were given for 'Employee of the Year' and gift Vouchers were announced for the staff involved in arranging the successful and memorable event.

KBL Sponsors PSHRM Awards 2015



As a gesture of support in advancing the HR community in Pakistan, Khushhalibank sponsored the Pakistan Society of HR Management (PSHRM) event, 'Best Place to Work Awards Gala 2015'. The event was held on the 16th of September at Movenpick, Karachi. The ceremony acknowledged the importance of employee engagement and focused on highlighting trends in employee expectation, retention, motivation and engagement levels.

KBL Extends Support to Namal College Students



With a belief that Higher Education has the most profound impact on individual success and is a gift that turns students into professionals, and youngsters into income earning citizens, Khushhalibank is supporting the cause by bearing the educational expenses of student for the whole academic year September 15 - August 16.

Namal college Mianwali is the first rural institute of higher education in the country offering international degrees to students from less privileged backgrounds, offering degrees in Computer Science as well as in Electronics & Electrical Engineering. 90% of the undergraduates are provided financial assistance.

MSME Update



This year has witnessed massive growth in MSME, initially all 15 branches met their targets and exceeded expectations with exceptional over-achievement of targets. Till September 2015, more than 1200 loans had been disbursed worth 280 million up from 568 loans worth 129 million in the second quarter of 2015. More than 80 Loan Officers and 15 Loan Officer Trainers have already been trained on functional and soft skills. The field visits by President KBL, Board members and senior management team encouraged the staff at the newly rolled out branches and ensured two way communication and better interaction

between corporate offices with front end staff members. The renovation and up gradation of six branches i.e. Sheikhpura, Multan, Lodhran, Kasur and Faisalabad has been completed and the renovation plan for all the branches is finalized & will be completed in the next quarter.

Stories that Matter Muhammad Asif

Pakistan is a developing country with the sixth largest population in the world, with a thriving population, 60% of which constitutes young individuals below the age of 25. The growth in the population has not been supported by creation of jobs and development of infrastructure. This is the reason Pakistan has lagged in development and is further shackled by a huge portion of the population under the poverty line and plagued with illiteracy.

But the socio-economic atmosphere did not hinder Muhammad Asif, a man from a humble background living in a village of Abbottabad with his mother.

Muhammad Asif suffers from stunted growth which rendered his functioning, a great challenge, but as a sole earner of the family he was supposed to fund the medical expenses of his ill mother; asking for alms was not an option for him. He decided to learn the skill of welding and grew in the trade by leaps and bounds.

When confidence and expertise allowed him to dream of starting his own welding business and run a shop, he was at a loss as to where to secure the funds for his entrepreneurial venture. It was through friends he learnt about Khushhalibank, that the bank could be helpful for him. He decided to contact the bank for loan facility.

After getting loan, Muhammad Asif started his business and started a welding workshop. "I am a hardworking person and Allah has blessed me with a skill for my craft. Starting out I could not fathom things would work out the way they have, today I have hired help to cater to the growing needs of my clientele. In some seasons my earnings reach the PKR 100,000 threshold, which is nothing short of a miracle from where I started. I am able to afford quality medical treatment for my mother. I thank Khushhalibank for making a way for me where there was none before."



Picture Gallery (KBL Trainings)



CAD Batch 1, July
27-28, 2015



CAD Batch 2, July
30-31, 2015



MSME- Loan Officers
July 27-31, 2015



CAD Batch 3, Aug
17-18, 2015



CAD Batch Aug 24-25,
2015



Orientation LO-GL
(KB-152)- Aug 24-26,
2015



Orientation - Ops
Officers (KB-154) Aug
31-Sep 2, 2015



Orientation LO-GL
(KB-153) Aug 31-Sep 2,
2015



Orientation - LO-GL
(KB-155) Sep 8-10,
2015



Orientation -LO-GL (KB
156) Sep 9-11, 2015



Orientation - Ops
Officers (KB-158)- Sep
15-17, 2015



Orientation -LO-IL
(Batch 8th) Sep 15-17,
2015



Orientation
LO-GL-KB-(157) Sep
15-17, 2015



RM Training- Sep
15-18, 2015