



# PMIC

Pakistan Microfinance Investment  
Company Limited

# Connect

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# Portfolio Highlights



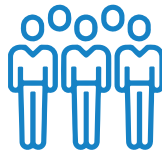
PKR 27.8  
(Billion)

LOAN PORTFOLIO



24

TOTAL BORROWERS



671,549

TOTAL CLIENTS



87%

WOMEN CLIENTS



88

NUMBER OF DISTRICTS



38%

YOUTH CLIENTS



64%

RURAL



2000

LIVESTOCK INSURED



PKR 3.364 (Billion)

LOAN PORTFOLIO  
DEPLOYMENT IN  
EXTREME POVERTY ZONES



847,782

CUMULATIVE JOBS  
SUPPORTED BY MICROFINANCE  
LENDING OPERATIONS



35,142

RENEWABLE ENERGY -  
UNITS SOLD



PKR 110.6  
(Billion)

INCREMENTAL REVENUE  
GENERATION BY PMIC'S  
FINANCED MICRO ENTERPRISES



## PORTFOLIO MANAGEMENT DEPARTMENT

### PMIC Islamic Financing Operations

Building on PMIC's step into Islamic financing, marked by the recent Mudarabah agreement with Safco Microfinance Company Limited (SMCL), we continue to make strides in Shariah-compliant financial offerings.

Following thorough reviews by Shariah advisors, PMIC has now shared the final draft agreements with the Damen Support Programme (DSP) and Kashf Foundation (KF) marking an advancement in our Islamic financing initiatives. These finalizations bring PMIC closer to expanding its Shariah-compliant financing offerings, with disbursement to both anticipated by December. Additionally, approval for Agahe Pk is in place and further development is under process. These steps reinforce PMIC's commitment to fostering an inclusive financial ecosystem through Islamic finance, extending critical support to partners in alignment with Shariah principles.

### Induction of New Borrowers

Building on the new partnerships with GoldFin Limited & Smart Finance Limited, their financing agreement and other documentation processes have been completed. Disbursement notes are currently under process and are soon to be disbursed. Additionally, an indicative term sheet for Neem Financials has been initiated for approval.

In parallel, and in alignment with our newly approved 2024-2027 strategy, PMIC has also initiated talks with fintech companies like Kal Pay and FinVolution. These efforts reflect PMIC's ongoing commitment to broadening financial inclusion and exploring innovative financial solutions to support sustainable growth across Pakistan.

### PMD Visits

In recent visits, the PMD team conducted field visits to the key borrowers, MSP (Narowal), SVDP (Khushaab) & CEIP (Lahore), and met with senior management to discuss the current operations, internal controls, increasing NPLs and identify areas for improvement and future opportunities.

The team interacted with clients to gather feedback and understand their concerns. The clients expressed overall satisfaction with the products and the professionalism of the field staff, they highlighted challenges related to inflation, rising utility bills, and increasing living costs. The clients highlighted that business slowdowns and low wheat prices have restrained their cashflows. Additionally, clients requested larger loan amounts, as many currently depend on multiple providers to meet their financial needs.



## SECTOR DEVELOPMENT DEPARTMENT PROJECTS

### PRIME

PMIC PRIME team has been able to finalize the ESMS framework for PRIME. The Program Implementation Consultants have shared the report of their meetings with MFPs in Sindh and Punjab with KfW. The report clearly highlights the issues that emerged after the suspension of the subsidy scheme by KfW and emphasizes the early relaunch of the subsidy scheme.

### Education Quality Program

PMIC in collaboration with Opportunity International (OI) is conducting a three-year education quality training program besides access to finance for the schools. The program was initiated in June 2023. The implementing partners are Agahe Pakistan, RCDP, and TFCL. The objective of the Education Quality program is to provide quality education training to 150 Low-Cost Private Schools (LCPS) in Southern Punjab.

To date 159 schools are onboarded, this includes 159 school owners/principals and 318 school-teachers that are respectively participating in the School Leadership Professional Development (SLPD) and Teacher Mentorship Professional Development (TMPD) series. During October TMPD3 was conducted in 9 districts of Multan and 9 districts of Lahore. A total of 47 schools were visited by education specialists to assess the learning outcomes of the participants.



### PMIC and SMCL Signing Ceremony: Islamic Shariah Compliant Financing

PMIC signed off its first transaction under its Islamic finance facility with Safco Microfinance Company Limited worth PKR 100 million at the Annual Microfinance Conference. This is the first of many facilities PMIC will sign off with its borrowers and reach out to untapped areas and unserved clients. The signing ceremony was graced by Dr. Inayat Hussain, Deputy Governor - SBP, Mr. Abid Qamar Director of Agriculture Credit and Financial Inclusion Department - SBP, Ms. Amna Aziz Director Lending NBFs & PF Department - SECP, along with Mr. Naved A. Khan Chairman PMIC and senior management from PMIC and Safco Microfinance Company.





## Annual Microfinance Conference 8

Mr. Yasir Ashfaq, CEO of PMIC, participated in a Grand Debate "Addressing the Bigger Challenge: Achieving Growth Comparable to Regional Markets". He emphasized the need for policymakers to recognize the microfinance sector and leverage it to achieve its development targets. He also urged the MFPs to go back to the basics and focus on client-centric interventions.

## PMIC Strategy 2025-27

The board in their meeting held on October 10, 2024, has approved the PMIC Strategy for the period 2025-27. The strategy focus is on expanding PMIC's wholesale Intervention, adding new institutions to the PMIC borrowing list, outreach to underserved areas, product development, and mobilizing commercial & concessional funds for the growth of the microfinance sector at large. The strategy also focuses on strengthening the absorptive capacities of small to medium-sized Institutions/ enterprises (SMEs) helping them to develop systems and strengthening governance enabling them to embark on the journey to scale up and build stronger viable Institutions. PMIC will also concentrate on crowding in funds from commercial banks, capital markets, development agencies, impact investors, and MIVs. The management is now preparing work plans and timelines for the rollout of initiatives under a three-year business plan.

## GIIN Conference

PMIC's CEO, alongside our Research and CFIB teams, attended the Global Impact Investing Network (GIIN) Conference in Amsterdam. This event offered invaluable insights into global best practices in impact investing and opened up avenues to connect with key stakeholders dedicated to advancing sustainable finance. A key focus of our participation was to explore impactful investment opportunities for Pakistan, aligning with our mission to drive sustainable development through innovative finance solutions.





## Client Success Story



### Latifan Bibi's Remarkable Story of Resilience

Latifan Bibi's journey is a remarkable story of resilience and empowerment. After losing her husband in a tragic accident, she stepped up as the sole provider for her four children, facing immense challenges with remarkable strength. Drawing on her sewing skills, she started a small tailoring business at home, gradually building a loyal customer base despite the lack of support from her in-laws.

Driven to improve her circumstances, Latifan pursued training in entrepreneurship and financial management, which boosted her confidence and helped her instill the values of education and hard work for her children. Her efforts blossomed into a successful venture, further enhanced by her passion for embroidery.

In 2021, Latifan took a loan of Rs. 40,000 from AGAHE Pakistan to expand her business. Alongside her embroidery work, she ventured into selling Golgappas, a popular street food. This new endeavor was risky, but with determination and the support of her children, she overcame obstacles and achieved significant success.

Now in her third loan cycle, Latifan earns a daily income of Rs. 8,000 and sells Golgappas to over 30 outlets, turning her initial struggles into a thriving enterprise. She has not only created a stable future for her family but has also become a beacon of hope and inspiration for other women in her community, advocating for financial independence and empowerment.



# People and Culture



## Sneak Peek at New Hires

Suleman Afzal- AVP Finance & Accounts

1. Favorite Food: A good steak dinner—classic, hearty, and always satisfying.
2. Someone I'd Like to Meet: Warren Buffett. His unique approach to long-term investing and decision-making is something I really admire.
3. Bucket List Item: Taking a culinary tour of Europe to explore authentic local dishes.



## Birthdays



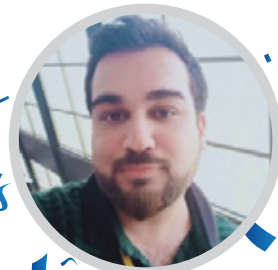
Irfan Shah



Muhammad Faheem Khalid



Rashid Imran



Zarak Jamal Khan



## Read of the Month: McKinsey Report - Women in the Workplace 2024

Over the past decade, more than 1,000 companies have participated, surveying over 480,000 individuals in a comprehensive study focusing on women's experiences in corporate America. For 2024, data was collected from 281 organizations employing over ten million people, including insights from over 15,000 employees and 280 HR leaders. The report highlights progress in women's representation, especially in senior leadership roles, where women's participation in C-suite positions rose from 17% in 2015 to 29% in 2024. However, progress is fragile, particularly for women of color, who face significant barriers and perceive both gender and race as obstacles to advancement. Notably, the report reveals that despite gains, women's daily experiences at work have not improved significantly, with persistent issues like microaggressions and lack of managerial support.

The report emphasizes that while companies have taken steps toward equity, including improved parental support and workplace flexibility, critical actions are still necessary to sustain this momentum. The findings stress the need for companies to recommit to advancing women's representation, addressing the "broken rung" in the corporate ladder, and fostering an inclusive culture. The path to true parity is projected to take nearly 50 years, underscoring the urgency for sustained and effective action.

For further insights and details, the full report can be accessed through the following link:

<https://cdn-static.leanin.org/women-in-the-workplace/2024-pdf>

