Micro Finance

apna bank

Limited

خوابوں سے خوشحالی تک

Un-Audited Interim Condensed

Financial Statements

for the Quarter Ended March 31, 2015

CORPORATE INFORMATION

Board of Directors

Chairman	Mr. Qamar-uz-Zaman
Directors	Mr. Mohammad Akram Shahid
	Mr. Mohammad Azam Cheema
	Ms. Shahida Bilquis
	Mr. Muhammad Farooq Abid Tung
	Mr. Muhammad Saleem Shaikh
	Mr. Imad Mohammad Tahir
Acting President / Chief Executive	Mr. Muhammad Farooq Abid Tung (Effective from April 10, 2015)
Company Secretary	Mr. Rafat Abbas
Chief Financial Officer	Mr. Tahir Saeed Effendi

Audit Committee of the Board

Chairman	Ms. Shahida Bilquis
Members	Mian M. A. Shahid
	Mr. Muhammad Azam Cheema
Secretary	Internal Auditor

Executive Committee of the Board

Chairman	Mr. Muhammad Akram Shahid
Members	Mr. Muhammad Azam Cheema
	Mr. Qamar-uz-Zaman
	Mr. Muhammad Saleem Shaikh
	Mr. Muhammad Farooq Abid Tung
Secretary	Company Secretary

Risk Management Committee of the Board

Chairman	Mr. Muhammad Azam Cheema
Members	Mr. Muhammad Farooq Abid Tung
	Ms. Shahida Bilquis
	Mr. Muhammad Saleem Shaikh
	Mr. Imad Mohammad Tahir
Secretary	Head Risk Management

Human Resource & Remuneration Committee of the Board

Chairman	Mr. Muhammad Farooq Abid Tung
Members	Mr. M. A. Shahid
	Ms. Shahida Bilquis
	Mr. Mohammad Azam Cheema
	Mr. Qamar uz Zaman
	Mr. Muhammad Saleem Shaikh
Secretary	Group Head HR

Auditors	Avais Hyder Liaquat Nauman (Chartered Accountants)
Tax/ Legal Advisor	Baker Tilly Mehmood Idrees Qamar (Chartered Accountants) Agha Law Associates
Bankers	KASB Bank Ltd Bank Al-Falah Ltd Tameer Microfinance Bank Ltd Summit Bank Ltd
Registered & Head Office	K-4/3 & 4/4 Ch. Khaliq-uz- Zaman Road, Gizri, Karachi. PABX Tel: +92 21 35865352-55 Fax: +92 21 35865017 Website: www.apnabank.com.pk
Share Registrar	Technology Trade (Pvt.) Ltd. Dagia House, 241-C, Block-2, P.E.C.H.S. Off. Shahrah-e-Quaideen, Karachi. Phone 021-34391316 - 17 Fax 021-34391318

Branches

KARACHI

Model Branch Gizri Branch	Tel: 021-35865021-24
Shahrah-e-Faisal, Branch	Tel: 021-34324656-59
I.I Chundrigar Branch	Tel: 021-32623667-68-69-70
Bhens Colony Branch	Tel: 021-35081281-82-85
Napier Road Branch	Tel: 021-32527041-44
Korangi Industrial Area Branch	Tel: 021-35013400-02
Liaquat Market, Malir Branch	Tel: 021-34113781-83
Mehamoodabad Branch	Tel: 021-35319240-41-42
Shah Faisal Colony Branch	Tel: 021-34601749-50
North Karachi Branch	Tel: 021-36961067-68-71
Orangi Town Branch	Tel: 021-36652095-103
Gulshan-e Hadeed Branch	Tel: 021-34717820-3

INTERIOR SINDH

Larkana Branch	Tel: 074-4055347-50
Kumb road, Suigas Branch	Tel: 0243-614440
Khairpur Mirus Branch	Tel: 024-3715330
Hyderabad Branch	Tel: 022-2731282-6
Tando Allah Yar Branch	Tel: 022-3890450-8
Tando Muhammad Khan Branch	Tel: 022-3341811-12
Ghotki Branch	Tel: 072-3662461

Directors' Report

On behalf of the Board of Directors, I am pleased to present the un-audited Financial Statements of the Bank for the quarter ended 31 March 2015.

Operational and Financial Review

The operational highlights for the period under review are;

Particulars	31 March 2015 Un-Audited	31 March 2014 Un-Audited	% Change
Advances-net of provisions	**864,172,181**	377,595,668	128.86%
Deposits and other accounts	**1,332,341,960**	794,255,015	67.75%
Mark-up/return/interest earned	**70,356,890**	47,030,268	49.60%
Mark-up/return/interest expensed	**(29,228,278)**	(15,864,303)	84.24%
Administrative expenses	**(52,891,356)**	(36,457,770)	45.08%
Profit / (loss) after taxation	**(30,214,747)**	(4,744,748)	536.80%

Since the beginning of this financial year the management is intensively working for increasing their foot prints in those areas which are still unbanked and where absorptive capacity for micro finance services is existed, in this respect two (2) new branches have been inaugurated in interior Sindh.The number of operational branches has increased from 11 in March 2014 to 19 in March 2015 and further feasibility for new openings of nine (9) branches is in process.

For the saturation of this growth strategy new staff is being hired, additional lease agreements are made and feasibility studies are prepared causing increase in operating expense.

As a result of the management approach to improve its markup income by rationalizing its returns on funds deployed, improving recovery against non performing loans and written off loans, the interest/ markup income shows an increase of 49.60% over the corresponding quarter last year. However mark up interest expense has increased by 84.24% over the corresponding quarter, this increase could be rationalized due to increase in the deposits by 67.75%.

The administrative expenses have increased by 45.08% over the figures of corresponding quarter 2014. The major factor attributable to this rise is increase in manpower as a result of branch network expansion. The total number of employees (regular & contractual) increased to 328 in March 2015 as compared to 234 in March 2014.

The provision against non performing loans (NPLs) has increased to Rs. 23,065,691 as compare to Rs. 3,390,914 in corresponding quarter March 2014 registering a growth of 580.22%. This increase in provision is one of the major contributors to the loss for the period ended on 31 March 2015. The management is making intensive efforts for the recovery of NPLs and setting a new strategy to reduce the quantum of NPLs.

Future Outlook

In order to obtain National Level License, right issuance process is started after due approvals of SECP and SBP for the issuance of 100% right shares at a discounted price of PKR 5/- each. The said process of right issue will be completed by the end of June 2015 and management is of the view that the MCR of PKR 1 billion (net of losses) will be met thereafter. Upon receiving National Level license, branches in Punjab, Baluchistan & KPK will also be opened.

The management has entered into agreement for introducing Mobile Banking to its customers very soon and this new technology based service to customers will not only enhance the goodwill of the Bank but will also rank the Bank with other peers in the industry which are providing these advanced level of services.

The management is in process for getting the membership of NIFT, in this respect standard service agreement with NIFT will be signed shortly and hope that centralized clearing will be started by the end of June 2015.

One of the core objectives of the Bank is to reach each and every unbanked poor individual at their door steps, for this purpose the management is considering to enhance their branch network in those areas which have been historically neglected therefore nine (9) new branches will be opened till the end of 30th June 2015 in interior Sindh.

Credit Rating

The Pakistan Credit Rating Agency (Pvt) Ltd. has upgraded the long term rating from "BBB" (Triple B) to "BBB+" (Triple B+)and maintained short term ratingto "A3" (A Three), with, a "Stable future Outlook". The ratings denote an adequate capacity for timely payment of financial commitments.

Acknowledgement

We would like to take this opportunity to thank our valued clients, shareholders and other stakeholders for their patronage and confidence and our management and employees for their dedication and hard work.

We would also like to express our gratitude to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and the Karachi Stock Exchange for their continued guidance and support.

Karachi: 17 April 2015

On behalf of the Board

Muhammad Farooq Abid Tung
Acting President and CEO

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APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 31 MARCH 2015

	Note	31 March 2015	31 December 2014
		---------- Rupees ----------	
		(Un-audited)	(Audited)
ASSETS			
Cash and balances with SBP	5	61,990,796	58,432,090
Balances with other banks / MFBs	6	593,470,866	538,046,669
Lending to financial institutions		-	-
Investment	7	244,387,443	190,767,143
Advances-net of provisions	8	864,172,181	766,138,548
Operating fixed assets		91,018,830	93,725,598
Other assets		132,950,890	111,844,458
Deferred tax assets		-	-
Total assets		1,987,991,006	1,758,954,506
LIABILITIES			
Deposits and other accounts	9	1,332,341,960	1,193,506,624
Borrowings		-	-
Subordinated debt		-	-
Other liabilities		36,295,220	22,839,032
Deferred tax liabilities		-	-
Total liabilities		1,368,637,180	1,216,345,656
NET ASSETS		619,353,826	542,608,850
REPRESENTED BY:			
Share capital	10	1,100,000,000	1,100,000,000
Discount on issue of shares		(400,000,000)	(400,000,000)
Share deposit money		110,000,000	-
Statutory reserve		1,279,583	1,279,583
Depositors' protection fund		319,896	319,896
Accumulated loss		(222,484,748)	(192,270,001)
		589,114,731	509,329,478
Surplus / (deficit) on revaluation of assets		1,740,937	1,740,937
Deferred grants		28,498,158	31,538,435
		619,353,826	542,608,850
MEMORANDUM/ OFF BALANCE SHEET ITEMS	11		

The annexed notes form an integral part of these interim financial statements.

President/Chief Executive Officer	Chairman	Director	Director

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APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH 2015

	Note	31 March 2015	31 March 2014
		---------- Rupees ----------	
		(Un-audited)	(Un-audited)
Mark-up/return/interest earned	12	70,356,890	47,030,268
Mark-up/return/interest expensed		(29,228,278)	(15,864,303)
Net mark-up/interest income		41,128,612	31,165,965
Provision against non-performing loans and advances	8.2	(23,065,691)	(3,390,914)
Provision for diminution in the value of investments		-	-
Recovery against bad debts written off		637,741	750,982
Bad debts written off directly		-	-
		(22,427,950)	(2,639,932)
Net mark-up/interest income after provisions		18,700,662	28,526,033
Non mark-up/non interest income			
Fee, commission and brokerage income		1,464,632	1,831,511
Dividend income		-	-
Other income		3,235,908	1,360,651
Total non mark-up/non interest income		4,700,540	3,192,162
		23,401,202	31,718,195
Non mark-up/non interest expenses			
Administrative expenses		(52,891,356)	(36,457,770)
Other provisions/write offs		-	-
Other charges		-	-
Total non mark-up/non interest expenses		(52,891,356)	(36,457,770)
		(29,490,154)	(4,739,575)
Extra ordinary/unusual items		-	-
Profit/(loss) before taxation		(29,490,154)	(4,739,575)
Taxation - Current	13	(724,593)	(5,173)
Prior year		-	-
Deferred		-	-
		(724,593)	(5,173)
Profit/(loss) after taxation		(30,214,747)	(4,744,748)
Accumulated loss brought forward		(192,270,001)	(196,880,895)
		(222,484,748)	(201,625,643)
Appropriations			
Transfer to			
Statutory reserve		-	-
Capital reserve		-	-
Contribution to MSDF/ DPF/ RMF		-	-
Revenue reserve		-	-
Proposed cash dividend Rupee Nil per share 2014: Rupee Nil per share)		-	-
Others		-	-
		-	-
Accumulated loss carried forward		(222,484,748)	(201,625,643)
Earnings / (loss) per share - basic and diluted		(0.27)	(0.16)

The annexed notes form an integral part of these interim financial statements.

President/Chief Executive Officer	Chairman	Director	Director

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APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH 2015

	Note	31 March 2015	31 March 2014
		---------- Rupees ----------	
		(Un-audited)	(Un-audited)
Profit/(loss) after taxation		**(30,214,747)**	(4,744,748)
Other comprehensive income			
Items that will not be reclassified to profit or loss account		-	-
Items that may subsequently be reclassified to profit and loss account		-	-
		-	-
Comprehensive income transferred to equity		**(30,214,747)**	(4,744,748)
Components of comprehensive income not reflected in equity			
Net change in fair value of available-for-sale investments		-	-
Total comprehensive income for the year		**(30,214,747)**	(4,744,748)

The annexed notes form an integral part of these interim financial statements.

President/Chief Executive Officer	Chairman	Director	Director

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APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH 2015

	Note	31 March 2015	31 March 2014
		---------- Rupees ----------	
		(Un-audited)	(Un-audited)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		(29,490,154)	(4,739,575)
Adjustments for non-cash items			
Depreciation		3,347,257	2,007,491
Amortization of intangibles		2,380,470	2,087,754
Amortization of deferred grants		(2,776,771)	(1,125,000)
Amortization of discount on TFCs		(350,550)	-
Provision against non-performing advances		23,065,691	3,390,914
Gain on disposal of fixed assets - net		-	(10,000)
		25,666,097	6,351,159
Operating cash flows before working capital changes		(3,824,057)	1,611,584
Changes in working capital			
(Increase)/ decrease in operating assets			
Advances		(121,099,324)	(61,969,700)
Other assets		(17,959,682)	(20,884,855)
		(139,059,006)	(82,854,555)
Increase / (decrease) in operating liabilities			
Deposits		138,835,336	32,229,446
Other liabilities		13,456,188	1,791,390
		152,291,524	34,020,837
CASH FLOWS FROM OPERATIONS		9,408,461	(47,222,134)
Income tax paid		(3,871,343)	(5,173)
Net cash (used in) / flows from operating activities		5,537,118	(47,227,307)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in available for sale securities		(53,269,750)	-
Net investments in held for trading securities		(263,505)	(80,000,000)
Investments in operating fixed assets		(3,020,960)	(1,944,430)
Sale proceeds of operating fixed assets disposed of		-	10,000
Net cash flows from / (used in) investing activities		(56,554,215)	(81,934,430)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share deposit money-net		110,000,000	-
Net cash flows from financing activities		110,000,000	-
Increase in cash and cash equivalents during the period		58,982,903	(129,161,737)
Cash and cash equivalents at the beginning of the period		596,478,759	567,576,204
Cash and cash equivalents at the end of the period		655,461,662	438,414,467

The annexed notes form an integral part of these interim financial statements.

President/Chief Executive Officer	Chairman	Director	Director

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APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH 2015

	Share Capital	Discount on Issue of Shares	Share Deposit Money	Statutory Reserve	Depositors' Protection Fund	Accumulated Loss	Total
				Rupees			
Balance as at 01 January 2014	300,000,000	-	403,300,000	50,011	-	(196,880,895)	506,469,116
Comprehensive income for the period							
Loss after taxation	-	-	-	-	-	(4,744,748)	(4,744,748)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(4,744,748)	(4,744,748)
Balance as at 31 March 2014	300,000,000	-	403,300,000	50,011	-	(201,625,643)	501,724,368
Balance as at 01 January 2015	1,100,000,000	(400,000,000)	-	1,279,583	319,896	(192,270,001)	509,329,478
Comprehensive income for the period							
Loss after taxation	-	-	-	-	-	(30,214,747)	(30,214,747)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(30,214,747)	(30,214,747)
Share deposit money received	-	-	110,000,000	-	-	-	110,000,000
Balance as at 31 March 2015	1,100,000,000	(400,000,000)	110,000,000	1,279,583	319,896	(222,484,748)	589,114,731

The annexed notes form an integral part of these interim financial statement

President/Chief Executive Officer | **Chairman** | **Director** | **Director**

APNA MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2015

1. STATUS AND NATURE OF BUSINESS

1.1 Apna Microfinance Bank Limited ("the Bank") was incorporated on 08 May 2003 as a public limited Bank under the Companies Ordinance, 1984. The Bank was granted a certificate of commencement of business on 28 December 2004 and its operations started from 01 January 2005. Its shares are listed on Karachi Stock Exchange Limited. The Bank's principal business is to provide microfinance services to the poor and underserved segment of the society as envisaged under the Microfinance Institutions Ordinance, 2001. As at the reporting date, the Bank operates 19 branches (2014: 17 branches) and its registered office is situated at K-4/3 and 4/4, Ch. Khaliq-uz-Zaman Road, Gizri, Karachi.

1.2 In order to meet the Minimum Capital Requirement of Rs. 1,000 Million for National Level License approval from SECP and SBP have been obtained on 26 February 2015 & 16 March 2015 respectively for the issuance of 100% Right Shares (One right share for one ordinary share held on closing date) at 50% discount. In this regard Right letters in the ratio of 1:1 have been dispatched as on 10 April 2015, the whole process of Right issue is expected to be completed by the end of June 2015.

2. BASIS OF PRESENTATION

These financial statements have been presented in accordance with BSD Circular No.11 dated 30 December 2003 issued by the State Bank of Pakistan (SBP).

3. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of the 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, the Microfinance Institutions Ordinance, 2001, the Prudential Regulations for Microfinance Banks / Institutions and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). Wherever the requirements of the Companies Ordinance, 1984, the Microfinance Institutions Ordinance, 2001, the Prudential Regulations for Microfinance Banks / Institutions or the directives issued by the SECP and SBP 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 / Institutions or the requirements of the said directives shall prevail.

3.1 SBP has deferred the applicability of International Accounting Standards (IAS) 39 'Financial Instruments Recongnition and Measurement' and International Accounting Standards (IAS) 40 'Investment Property ' for Banking Companies through BSD Circular No. 10 dated 26 August 2002. Further, the Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" through its notification S.R.O 411(1) / 2008 dated 28 April 2008. Accordingly, the requirments of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by SBP through various circulars.

3.2 Standards, amendments and interpretations to published approved accounting standards that are effective in the current year

There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after 01 January 2015 but are considered not to be relevant or do not have any significant effect on Bank's operations and therefore not detailed in these financial statements.

4. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain investments which are measured as per accounting policy.

Accrual basis has been used in preparation of these financial statements except for the cash flow statement.

	Note	31 March 2015	31 December 2014
		---------- Rupees ----------	
		(Un-audited)	(Audited)
5. CASH AND BALANCE WITH SBP			
Cash in hand – local currency		**23,630,454**	26,627,936
Balance with State Bank of Pakistan	5.1	**38,360,342**	31,804,154
		61,990,796	58,432,090

5.1 Represents balance maintained in current account with the State Bank of Pakistan to meet the requirements of maintaining a minimum balance equivalent not less than 5% of the Bank's time and demand liabilities in accordance with Regulation 6 of the Prudential Regulations.

	Note	31 March 2015	31 December 2014
6. BALANCES WITH OTHER BANKS / MFBs			
In Pakistan			
- on Current account		**22,251,898**	19,799,313
- on Deposit account	6.1	**348,218,968**	236,247,356
- certificates of deposits	6.2	**223,000,000**	282,000,000
		593,470,866	538,046,669

6.1 These carry mark-up rates ranging from 6 to 9 percent (2014: 7.5 to 9.5 percent) per annum.

6.2 These represents placements with KASB Bank Limited and Silk Bank Limited carrying mark-up ranging from 8 to 9 percent (2014: 10.5 to 14 percent). There maturity ranges from three month to six months from the date of placement.

6.3 Placements with KASB Bank Limited amounting to Rupees 148 million were due for maturity on Macrh 2015. However, the same could not be matured due to moratorium status of the Bank effective from 14 November 2014. The principal and markup due were rolled over for another three months till June 2015.

	Note	31 March 2015	31 December 2014
7. INVESTMENTS			
Held-for-trading			
- Term Finance Certificates (TFCs)	7.1	**39,256,516**	38,993,011
Fair value adjustment		**-**	263,505
		39,256,516	39,256,516
Available-for-sale			
Federal Government Securities			
- Pakistan Investment Bond (PIBs)	7.2	**192,903,700**	139,633,950
Fair value adjustment		**1,740,937**	1,740,937
		194,644,637	141,374,887
Held-to-maturity			
B.R.R Guardian Modaraba - Term Finance Certificates (TFCs)	7.3	**9,535,848**	9,535,848
Amortization of discount		**950,442**	599,892
		10,486,290	10,135,740
		244,387,443	190,767,143

7.1 These represent Term Finance Certificates of Jahangir Siddiqui Company Limited. These carry mark-up at the rate of 6 Months KIBOR + 2.4% per annum.

7.2 This represents PIBs issued for a period of five and three years having maturity on 22 July 2015 and 17 July 2017. These carries interest at the rate of 11.50% and 11.25% per annum respectively.

7.3 This represents 4000 units of TFCs valuaing Rupees 2,894.811 each of B.R.R Guardian Modaraba. These TFCs were issued for 8.5 years, having maturity on 07 December 2016 and carry markup at the rate of 1 Month KIBOR per annum.

8. ADVANCES - NET OF PROVISIONS

	Note	31 March 2015 Outstanding	31 March 2015 Rupees	31 December 2014 Outstanding	31 December 2014 Rupees
		Rupees			
		(Un-audited)		(Audited)	
Micro credits		11.965	919,772,414	11,390	798,673,090
Less: Provision held:					
- Specific			47,365,782		25,090,505
- General			8,234,451		7,444,037
	8.2		55,600,233		32,534,542
Advances - net of provision		11,965	864,172,181	11,390	766,138,548

8.1 Particulars of non-perfoming advances

Advances include Rupees 163,358,805 (31 December 2014: Rupees 101,396,356) which have been placed under non performing status as detailed below.

	31 March 2015			31 December 2014		
Category of classification	Amount Outstanding	Provision Required	Provision Held	Amount Outstanding	Provision Required	Provision Held
	Rupees					
	(Un-audited)			(Audited)		
OAEM	61,867,976	-	-	39,915,242	-	-
Sub-standard	39,688,701	9,867,553	9,867,553	21,919,887	5,380,007	5,380,007
Doubtful	48,231,270	23,964,170	23,964,170	39,557,732	19,707,003	19,707,003
Loss	13,570,858	13,534,059	13,534,059	3,495	3,495	3,495
	163,358,805	47,365,782	47,365,782	101,396,356	25,090,505	25,090,505

8.2 Particulars of provisions against non-performing advances

	31 March 2015			31 December 2014		
	Specific	General	Total	Specific	General	Total
	Rupees					
	(Un-audited)			(Audited)		
Opening balance	25,090,505	7,444,037	32,534,542	19,768,105	3,052,551	22,820,656
Charge for the period	22,275,277	790,414	23,065,691	21,158,245	4,391,486	25,549,731
Amount written of	-	-	-	(15,835,845)	-	(15,835,845)
Closing balance	47,365,782	8,234,451	55,600,233	25,090,505	7,444,037	32,534,542

8.3 Particulars of write offs:

	Note	31 March 2015	31 Dec 2014
		Rupees	
		(Un-audited)	(Audited)
Against provision	8.4	-	15,835,845

9. DEPOSITS AND OTHER ACCOUNTS

	31 March 2015		31 December 2014	
	Number	Rupees	Number	Rupees
	---------- (Un-audited) ----------		---------- (Audited) ----------	
Fixed deposits	2,170	875,519,085	1,865	693,879,253
Saving deposits	4,312	244,382,020	4,378	229,586,147
Current deposits	40,730	212,440,855	37,289	270,041,224
	47,212	1,332,341,960	43,532	1,193,506,624

9.1 Particulars of deposits by ownership

	31 March 2015		31 December 2014	
	Number	Rupees	Number	Rupees
	---------- (Un-audited) ----------		---------- (Audited) ----------	
Individual depositors	47,078	1,170,768,321	43,402	1,062,916,009
Institutional depositors				
- Corporation / firm	123	149,432,581	119	53,047,099
- Banks and financial institutions	11	12,141,058	11	77,543,516
	47,212	1,332,341,960	43,532	1,193,506,624

10. SHARE CAPITAL

	31 March 2015	31 December 2014	31 March 2015	31 December 2014
10.1 Authorized capital	----------- No. of shares -----------		-----------Rupees-----------	
Ordinary shares of Rupees 10 each	250,000,000	250,000,000	2,500,000,000	2,500,000,000
10.2 Issued, subscribed and paid-up capital				
Ordinary shares of Rupees 10 each fully paid in cash	110,000,000	110,000,000	1,100,000,000	1,100,000,000

11. MEMORANDUM/OFF - BALANCE SHEET ITEMS

The Bank has provided the guarantees of Rupees 4.950 million for the customers to the Controller Department of Tourist Services. The Bank has issued letter of guarantees which are valid for a period of 1 year from the date of execution and secured against the Customers' Receivables, 10% Cash Margin and Counter Guarantee of United Insurance Company Limited.

There were no other contingencies and commitments as at 31 March 2015 (2014: Nil).

	Note	31 March 2015	31 March 2014
		---------- Rupees ----------	
		(Un-audited)	(Un-audited)
12. MARK-UP/RETURN/INTEREST EARNED			
Mark-up on loans and advances		53,151,205	28,866,641
Mark-up on investments in government securities		4,388,796	5,897,468
Mark-up on deposit accounts		12,816,889	12,266,159
		70,356,890	47,030,268

13. TAXATION

13.1 Current Tax

The Bank has carried forward tax losses of Rupees 120,851,693 as at reporting date due to which no taxable income arises during the period. However, under section 113 "minimum tax on income of certain persons" of the Income Tax Ordinance, 2001, the Bank is required to make a provision for minimum taxation. Therefore, provision for minimum taxation amounting to Rupees 724,593 (2014: Rupees 2,548,154) has been made.

14. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:

	Investment In Government Securities	Retail Banking	Micro Finance Banking	Total
		Rupees		
Quarter ended				
March 31, 2015 (Un-audited)				
Total income	4,388,796	17,517,429	53,788,946	75,695,[illegible]
Total expenses	-	42,451,117	62,734,208	105,185,325
Net income/(loss)	4,388,796	(24,933,688)	(8,945,262)	(29,490,154)
Segment assets (gross)	194,644,637	655,461,662	1,193,484,940	2,043,591,239
Segment non performing loans	-	-	163,358,805	163,358,805
Segment provision required	-	-	55,600,233	55,600,233
Segment liabilities	-	1,332,341,960	36,295,220	1,368,637,180
Quarter ended				
March 31, 2014 (Un-audited)				
Total income	5,897,468	12,266,159	32,809,785	50,973,412
Total expenses	-	25,826,474	29,886,513	55,712,987
Net income/(loss)	5,897,468	(13,560,315)	2,923,272	(4,739,575)
Year ended 31 December 2014 (Audited)				
Segment assets (gross)	141,374,887	596,478,759	1,053,035,510	1,790,889,156
Segment non - performing loans	-	-	101,396,356	101,396,356
Segment provision required	-	-	32,534,542	32,534,542
Segment liabilities	-	1,212,599,931	3,745,725	1,216,345,656

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