

A QUARTERLY NEWSLETTER OF  
KHUSHHALI MICROFINANCE BANK

# GRASS ROOTS



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# MESSAGE FROM CEO

Dear Colleagues,

As we conclude the 2nd Quarter of the year 2022, I am delighted to share the major milestones achieved by Khushhali Microfinance Bank Limited (KMFBL). Our successful endeavors and developmental initiatives are ensuring sustainable growth and robust financial results, with a vision to contribute more towards the socio-economic growth of the institution and empower the vast unbanked segments across the country.

As an industry-leading institution, Khushhali Bank is inspiring the whole nation to expand the outreach of world-class, digital-banking solutions for broader financial inclusion. We will always be at the forefront, catering to the evolving needs of the consumers, as we are deploying innovative technologies that help us promise the highest standards of convenience, unmatched customer care, and financial security.

I would like to take this opportunity to congratulate Khushhali Bank's highly competent and diligent workforce for their cohesive efforts, to gain operational excellence, despite challenges. Our corporate leadership remains committed to investing in our human resources and further enriching their professional skill-sets, through regular training programs. Over the years, our exceptional performance has earned many prestigious awards for Khushhali bank.

This vibrant newsletter – "Grassroots", has been conceived to share our insights, highlight our accomplishments and create fresh opportunities to learn. It helps us in formulating and implementing new strategic plans and resourceful initiatives to fulfill our corporate social responsibility.



facilitated many socio-economic reforms for poverty alleviation with a special focus on the wellbeing and empowerment of Pakistani women, rural communities, and other marginalized sectors. The Bank believes that its human resource is the most valuable asset and our highest priority is to nurture a progressive and competitive workforce. I hereby pledge every possible support, to ensure a prosperous future for our institution and all our stakeholders. Wishing you the best of luck.

Sincerely yours,

**Ghalib Nishtar**

President & CEO,  
Khushhali Microfinance Bank Limited

## BOARD OF DIRECTORS MEETING

In the Corporate affairs unit, the 2nd Quarterly board & its sub-committees' meetings of 2022 were held from June 7th, 2022 to June 9th, 2022. In the 80th Board meeting, BOD reviewed the economic update, operating results, and Business Update for the year ended on 31st March 2022.

On the litigation front, 13 new recovery cases have been filed by the Bank and 57 new cases have been filed against the Bank during Q1 2022, 113 previous cases where the Bank was a party have been disposed of in favor of the bank during this period. C&L also took up the embezzlement cases and filed various FIRs against former employees involved in these cases.

## Business Highlights

Active Borrows	781,501
Ytd Loan Service	340,141
Ytd Disbursement	42,747,722,058
Active Savers	3,015,196
GLP	80,765,607,259

## CELEBRATING THE FIRST ANNIVERSARY OF KHUSHHALI KAROBAR

Khushhali Karobar-SME division completed one year of its operation on 28th June 2022 with the successful launch of six branches, 203 million GLP, 230 million disbursements, 118 active clients, and 121 loans since launch. Khushhali Karobar-SME Banking Division started its operations in June 2021 and by the end of June 2022, it has six operational branches at Gujranwala, Gujrat, Sialkot, Faisalabad, Sargodha & Sheikhpura. In 2022 Khushhali Karobar network will be further expanded by opening six new branches to enhance the outreach and increase financial inclusion with a special focus on women-led enterprises. By end of June-22 Khushhali Karobar has achieved the following business numbers:



### Khushhali Karobar-SME

Term Finance clients	64
Total Disbursement	122,600,000
Running Finance clients	56
Total RF Limit Approved	107,150,000
<b>Disbursement of SME</b>	<b>229,750,000</b>
<b>Total Loans Serviced</b>	<b>120</b>
GLP	203,591,898
Active clients	118
<b>Total Deposit Amount</b>	<b>156,770,672</b>

## LAUNCH OF NEW SME BRANCH—SHEIKHUPURA

Khushhali Karobar distribution channel has started its expansion plan for 2022 by the opening of a new SME branch at the industrial hub of Sheikhupura on 24th June 2022. Head SME along with Area & branch team inaugurated the launch of the branch. This is the 6th SME branch and it will be operating under Faisalabad SME Area.



## KHUSHHALI MICROFINANCE BANK HAS PROVIDED HOUSE-LOANS WORTH RS.10.9 BILLION TO 17,800 CUSTOMERS

Khushhali Microfinance Bank Limited (KMBL) is a winner of Pakistan's 'Best Microfinance Bank Award', with a vision for sustainable development, through professional excellence. In 2018, it pioneered the 'Khushhali Home Plus loans facility, offering up to 1 Million Rupees for low-income individuals, who need affordable housing finance for the renovation and improvement of existing houses. This facility has already provided loans worth 8 billion Rupees, to more than 15,900 low-income individuals, to date, to accelerate socio-economic growth all over Pakistan.

The Government's Markup- Subsidy Scheme introduced in July 2021, further enriched KMBL's high-ticket house-loan scheme to expand and enrich the bank's portfolio. The Khushhali Apna Makaan (KAM) under the Government's Subsidized Scheme approved a total amount of over 3 Billion Rupees. The overall Housing Portfolio of KMBL comprises 17,800 Low-Income individuals, who have been



serviced by disbursing a cumulative amount of 10.9 Billion Rupees, while the total amount approved for this portfolio is over 11 Billion Rupees. More than 13,000 Rural area customers have been serviced so far, by disbursing 8 Billion Rupees. A total of 2,515 female clients have been serviced in this portfolio by providing loans worth 1.6 Billion Rupees.

## KHUSHHALI MICROFINANCE BANK ACHIEVES PCI DSS CERTIFICATION

Khushhali Microfinance Bank Limited (KMBL) has been recently granted the Payment Card Industry Data Security Standard (PCI DSS) Compliance Certification - an international standard for payment card and data security. This certification recognizes KMBL's high standards of financial security, as recommended by the Payment Card Industry Security Standards Council (PCI SSC). It is a global forum that brings together payments industry stakeholders, to develop and drive the adoption of data security standards and resources, for safe payments worldwide.

In the last decade, the number of cyber-attacks on organizations has increased exponentially. With the continuous expansion in the digital landscape and exposure of services to customers on their cellphones and computers organizations have become more and more prone to cyber-attacks. Khushhali Microfinance Bank strives to lead the industry on the digital front and considers that the security and protection of customers' data are of utmost importance. Khushhali Microfinance Bank's recent PCI-DSS certification bears testament to the bank's values and ensures the protection of customer card data from misuse, theft, and hacking, and adheres to the international standards set by the Payment Card Industry Council in all the areas of technology.

The PCI-DSS certification is based on eight key areas: network security, card data security, encryption, vulnerability management, physical and logical access control, strong governance, Information Security monitoring, and the security of digital solutions & infrastructure supporting the digital platform.

**khushhali**  
MICROFINANCE BANK

**BEST MICROFINANCE BANK AWARD**

**CERTIFICATE OF COMPLIANCE**  
This is awarded to  
**KHUSHHALI MICROFINANCE BANK LIMITED**

Has been assessed by Risk Associates Bangalore (RA) and has been found to be compliant against the Payment Card Industry Data Security Standard as set out by the PCI Security Standards Council and ordered by all leading card brands. A Report on Compliance and Attestation of Compliance (ROCA) will have been issued.

ISSUED: 09/08/2023  
EXPIRES: 09/08/2025  
RA ID: RA/2023/001  
RA/2023/001

PCI Security Standards Council

Risk Associates

**Khushhali Microfinance Bank is PCI DSS Certified**

Network Security | Card Data Security | Encryption  
Vulnerability Management | Physical and Logical Access Control  
Information Security Monitoring | Email Security  
Security of Digital Solutions & Infrastructure Supporting Digital Platforms

PCI Security Standards Council Risk Associates

# CELEBRATING THE MICROENTREPRENEURS OF KMBL

Seven of the best-performing clients of Khushhali Microfinance Bank (KMBL) were shortlisted to win prestigious accolades at the “14th Citi-PPAF Micro Entrepreneurship Awards – 2022”. Five of these seven shortlisted candidates, personally attended the ceremony organized by Pakistan Poverty Alleviation Fund (PPAF) and Citi Foundation in Islamabad, to recognize the achievements of successful micro-entrepreneurs across Pakistan.



**ANWAR JAN**  
Business Owner, Milkshop and Karyana Store  
Muzaffargarh, Khyber Pakhtunkhwa

After living a life in poverty, Anwar envisioned providing high quality education and a secure future for her son. Despite retaliation from her family, Anwar Jan started selling milk. Soon enough, she made profits to pay back her initial loans and expanded her shop by increasing the store inventory, turning it into a karyana store. Her child is studying in a very good institute and the people that initially held her back from starting a business are now proud of her.



**ABDUL GHAFFAR**  
Business Owner, Furniture Making and Repairing  
Channay Mor, Burewala, Punjab

Abdul Ghaffar worked in a furniture making shop and excelled in his job however he was still unable to make ends meet. As luck had it, he was able to successfully get a loan and opened his own furniture shop where he could display his craft. With an operational shop, Abdul Ghaffar was able to earn enough to provide his children with good education and a better standard of living.



Citi Foundation  
**citi**



PPAF

#Poverty2Prosperity | #GlobalGoals | #Pathways2Progress

The Citi Micro-entrepreneurship Awards Programme is a resourceful initiative, to showcase Pakistan’s real success stories to a global audience, to enrich the nation’s image. These awards recognize the achievements of the most successful micro-entrepreneurs across Pakistan, who have effectively utilized Micro-Loans, to build sustainable businesses and revenue streams to elevate their quality of life. They are enabling socio-economic growth for their families, communities, and the nation, despite resource constraints and extraordinary challenges.



## EXCELLING WORKFORCE– TRAINING FOR THE AREA MANAGERS

“The manager has his eye on the bottom line; the leader has his eye on the horizon” - Warren Bennis

The Professional Development Centre at the National University of Science & Technology (NUST) arranged a training session on “Creative Leadership” for the Area Managers of Khushhali Microfinance Bank Limited (KMBL) where the participants were enlightened on the critical roles of a creative leader. Area Managers of the organization from across the country attended and contributed to the success of the session through interactive dialogues.



## EXCELLING WORKFORCE–TRAINING FOR ATM MOUNT UNIT

KMBL is in pursuit of its vision to expand its digital footprint and provide high-end digital services to valuable customers. To achieve this goal ADC services including ATMs, Contact Center, etc. are functional round the clock. Ever-growing subscriber base and expansions of additional channels lead to the need to train the staff members to be well versed with the upcoming trends and technologies.

In this regard, the ATM mounting unit which is part of ADC-Operations has conducted hands-on training for staff members regarding first-level maintenance, handling, troubleshooting, and operations. Such recurring sessions are vital to keep the staff members updated with the latest happenings and facilitate providing seamless services to the customer and meeting their high expectations.

## EXCELLING WORKFORCE–SME BUSINESS WORKSHOP

One day workshop of SME Coordinators & Senior ROs on “Business Planning & Market Segmentation” was conducted at the Head Office, Islamabad. President, Group Head Business, and Head SME interacted with participants regarding SME target segments and customers. Top-performing AC-SME & ROs were awarded certificates by Group Head Business. The training focused on the understanding of the right SMEs and clear SME business segmentation, business Planning, loan underwriting, and monitoring and branch staff incentive model.

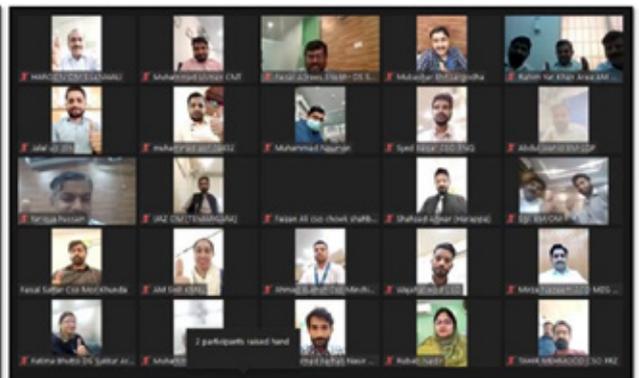
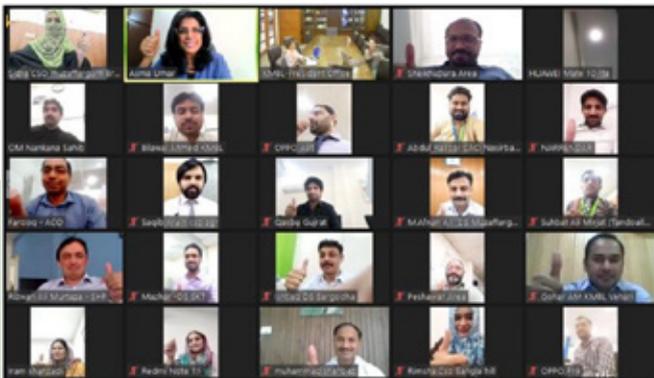
One day refresher for the Relationship Officers & Credit Administration Officers from new SME branches was also conducted by the Head SME at Faisalabad Branch. The training highlighted the roles & responsibilities of ROs & CAOs and SME business segmentation, Loan verification, and monitoring to ensure portfolio quality



# EXCELLING WORKFORCE- BANKING ON EQUALITY

In an effort to promote gender diversity and inclusion in the financial sector, the State Bank of Pakistan introduced the 'Banking on Equality' initiative. Banking on Equality is SBP's attempt to reduce the gender gap in financial inclusion. Khushhali is enhancing women's financial inclusion through the provision of access to financial products and services.

KMBL organized a 02 Day Awareness Training session for employees on SBP's Policy of "Banking on Equality - Reducing Gender Gap in Financial Inclusion". The trainer led an interesting talk and exchanged views involving the subject of gender sensitivity and workplace diversity.



**niswan** نِسْوَان

**The Woman Champion will be Responsible For:**

- developing meaningful relationships with customers
- resolving their day-to-day queries
- educating them on various existing & new products
- ensuring great customer experience

as part of KMBL Women Champion Program, the role extensively revolves around enabling & empowering KMBL's female customer-base



**Gender Sensitivity**

Gender sensitivity is the act of being sensitive to the ways people think about gender.

## NFLP STREET THEATRE SESSIONS–Sukkur

National Financial Literacy Program was started in 2017 with the aim to improve financial literacy and financial inclusion among one million beneficiaries with sub-targets of female participation and account conversion. SBP and Khushhali Microfinance Bank have been working hard to achieve the program's overall goals.

In collaboration with SBP and KMBL, a street theatre program was held in Sukkur on May 27th. 100 women participated in this event. The primary

objective of this event was to provide knowledge and understanding of financial concepts, banking/financial products and services, as well as to develop skills and attitudes toward budgeting, savings, investment, debt management, financial negotiation, rights, and obligations. This activity will also help women to inculcate financial literacy concepts through street theatre drama and also will help in account opening in coordination with Khushhali Microfinance Bank.



## LOOKING AT THE BRIGHT SIDE

The Pakistani nation possesses tremendous talent as our common people are blessed with great intelligence and vision to achieve socio-economic success. However, the true potential of many hard-working people remains largely untapped, because they do not have enough resources or financial capacity, to turn their ideas into profitable ventures and achieve prosperity.



Rising inflation led to a sharp increase in the prices of its raw materials like; copper & plastic. So, his business was struggling to purchase raw materials.

Fortunately, in that critical phase, the Marketing Officer of Khushhali Microfinance Bank Limited met Umair at the Fan-factory. That's when a detailed introduction of KMBL and its new product – 'Khushhali Karobar' convinced Umair, about the advantages of taking a 'Khushhali Karobar' financing facility, which is customized to empower the SME sector. Soon, a loan of 3 million Rupees was granted, for building the capacity of his fan-production business.

Today, with his hard work and commitment, this 30-year-old entrepreneur owns and manages a progressive factory, located near Arupe Mor, Gujranwala. This venture generates over 500,000 (Half a million) Rupees of monthly income for Umair, his beloved wife, and three children, while also providing a respectable livelihood for its 10 employees.

Muhammad Umair, from the KMBL customer family, has acquired extensive knowledge and skill-set, to operate an electric-fans manufacturing business in Pakistan. Over the past two years, the global Covid-19 pandemic had a debilitating impact on his business and he experienced a severe financial crunch, due to uncertainty and low productivity caused by the prolonged urban lockdowns. Fierce competition in the industry and a shortage of human resources had also made the situation worse.



## RECOVERY AND GROWTH DURING THE PANDEMIC

Meet our customer Shahbaz Hussain from Gujranwala. Shahbaz used to drive a rickshaw and now he owns two toy factories where he is managing the complete cycle; from procurement to production of the final product. Watch how Shahbaz managed to grow his business despite the Covid-19 pandemic:



**Your Business Excels With Us**

Expand your business with loan up to PKR 3,000,000/- with easy repayment mode and free credit life

khushhali karobar

khushhali karobar



**SCAN AND MEET**  
our customer Shahbaz Hussain  
<https://youtu.be/5UXc4gFmsKk>



**INSPIRING  
AN INCLUSIVE  
SOCIETY FOR  
PERSONS WITH  
DISABILITIES**

# ENABLING REHABILITATION & REINTEGRATION OF PERSONS WITH DISABILITIES

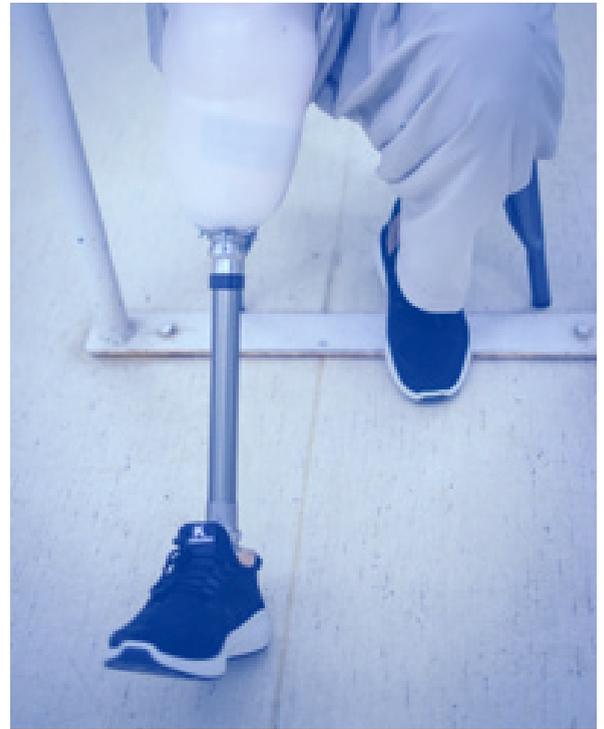
SDGs Contributed



Mobility is the first and most critical hurdle faced by physically challenged individuals, as it severely affects the lifestyle, education, livelihood and career of that person. Therefore, Khushhali Microfinance Bank Limited (KMBL) is working in partnership with multiple organizations, across Pakistan, to improve the mobility of PWDs by means of; prosthetics, assistive devices and other equipment.

Khushhali Microfinance Bank Limited partnered with CHAL Foundation to provide prosthetics for PWDs in Swabi, Khyber Pakhtunkhwa. KMBL's team visited CHAL Foundation's rehabilitation centre in Bacha Khan Hospital Swabi. KMBL's team met the patients and appreciated the efforts of CHAL Foundation for the rehabilitation and reintegration of PWDs in Pakistan.

KMBL is committed to promote full and equal participation of individuals with disabilities in all segments of the society, to enable accelerated development. KMBL salutes the courage and



resilience of the 'Persons with Disabilities' and promises to continue its efforts for their inclusion in the society.

Through these initiatives, KMBL is making direct contributions to Sustainable Development Goals #8 and #10 by empowering and promoting the social, economic and political inclusion of everyone particularly the Persons with Disabilities and by facilitating their reintegration in the society.





**EMPOWERING  
THE WOMEN  
OF PAKISTAN**

## ENCOURAGING WOMEN TOWARDS SKILL DEVELOPMENT AND ENTREPRENEURSHIP

SDGs Contributed



Khushhali Microfinance Bank Limited is one of the leading financial institutions in Pakistan, with a vision to accelerate socio-economic development, by promoting financial-inclusion of the vast unbanked segment in Pakistan. Going beyond the scope of its commercial operations, Khushhali has taken a number of noteworthy initiatives for the empowerment of women under its CSR program. Over time, KMBL worked on various entrepreneurial projects for women, enabling them to learn valuable skills and equip themselves to become a part of the mainstream economic-ecosystem and industrial activities of Pakistan.

With a vision to empower women through skill-development and enabling them to earn sustainable livelihoods, for supporting their families, Khushhali continues to organize skill-development and training programmes, for women belonging to the underserved communities of Pakistan.

Inspiring the women of Mirpurkhas to develop livelihood skills and start their own businesses, Khushhali Microfinance Bank Limited in collaboration with Sindh Graduates Association (SGA) started a skill development program at Roshan Tara School Mirpurkhas. In another effort, KMBL collaborated with Society for Human Development (SHD) to start another skill development program for the women of Harapa, District Sahiwal.

Participants of the training programs will be provided a complete tailoring course and will be enabled to earn sustainable livelihoods to support their families. In addition to the inauguration ceremony, Khushhali also organized sessions on financial literacy for the participants as well. The main objective of this session was to impart knowledge and understanding of financial concepts, banking/financial products, and services, and to develop skills and attitudes towards budgeting, savings, investment, debt management, financial negotiation, rights, and obligations.

These skill development programs are a reflection of Khushhali's commitment to make direct contributions towards the achievement of United Nations - Sustainable Development Goals #4 and #8, as the number of women with technical and vocational skills, is being substantially increased, encouraging and enabling them for employment, so they can qualify for decent jobs livelihoods and engage in productive entrepreneurship.







IMPROVING  
ACCESS TO  
**DRINKING**  
**WATER**

# HELPING OUR COMMUNITIES TO ACCESS SAFE DRINKING WATER

SDGs Contributed



Globally, millions of people lack access to clean drinking water. The impacts of water scarcity affect communities and can have direct health impacts. Access to clean water changes everything; it's a stepping stone to good health and development. Water and poverty are inextricably linked. Poor access to water and insufficient sanitation affect the health of the poor, their food security, and their prospects for making a living.

Khushhali Microfinance Bank through its CSR program 'Drinking Water for Khushhali' aims to help our communities in accessing safe drinking water. Over the years, Khushhali has taken a number of initiatives, including filtration plants, solar pumps, hand pumps and water coolers, to provide safe drinking water to thousands of people across the country.

This year, unprecedented rise in temperature was witnessed in several areas of Pakistan particularly in Cholistan and Tharparkar. Access to potable water was severely affected and people were unable to fetch water for domestic use as well as livestock. To help the water stressed communities of Cholistan and Tharparkar, KMBL installed water pumps powered by solar energy to provide the water to hundreds of families. In another effort, KMBL installed water coolers with filters in different schools and public places of Dera Ghazi Khan, Multan and Sukkur to ensure that people have access to clean drinking water during the extreme heat and unprecedented heat waves.

With these initiatives, KMBL is making direct contributions to the Sustainable Development Goal #6, by facilitating equitable access to safe and affordable drinking water for all, through hand-pumps, filtration plants and water coolers.





For Feedback & Comments email: [pr.desk@kb.com.pk](mailto:pr.desk@kb.com.pk)  
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