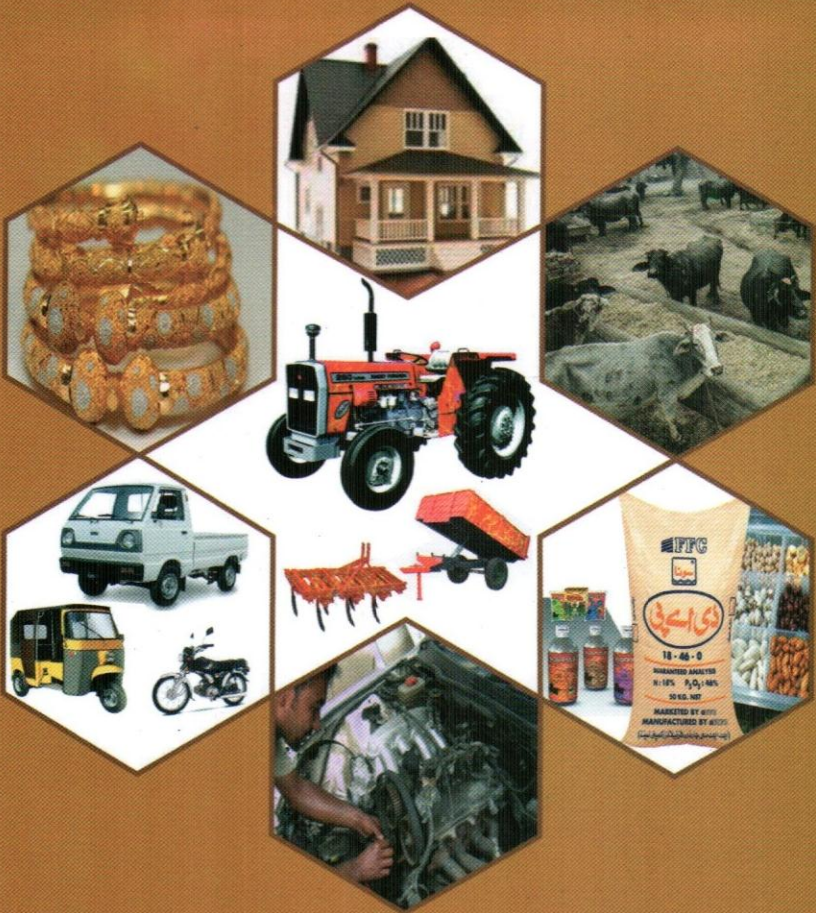
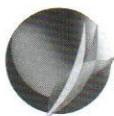


2016



Micro Finance
apna bank
Limited

خوابوں سے خوشحالی تک



CORPORATE INFORMATION

Board of Directors

Directors

Mr. Muhammad Akram Shahid
Mr. Qamar-uz-Zaman
Mr. Muhammad Azam Cheema
Mr. Imad Mohammad Tahir
Mr. Muhammad Saleem Shaikh
Syed Rahat Ali Shah
Mr. Muhammad Asghar
Mr. Shaharyar Ahmad
Mr. Shahid Hassain

Note:

The Directors above are elected unopposed in the election of Directorship in EOGM held on June 18, 2016. Their Fit & Proper Test are under process by the State Bank of Pakistan, after the clearance from the State Bank of Pakistan, the Board will be constituted and the Chairman shall be elected.

President / Chief Executive

Mr. Muhammad Farooq Abid Tung

Company Secretary

Mr. Rafat Abbas

Chief Financial Officer

Mr. Ali Murtza

Board Committees

The Boards' Committees will be constituted after the State Bank Fit & Proper Test clearance of the newly elected Directors.

Auditors

RSM Avais Hyder Liaquat Nauman.
Chartered Accountants

Tax/ Legal Advisor

RAMDAYS
Advocates & Corporate Consultants
Lahore

Bankers

Bank Islami Limited
Sindh Bank Limited
Faysal Bank limited
Bank AlHabib Limited
Bank Al-Falah Limited
Summit Bank Limited
Zarai Taraqati Bank Limited
JS Bank Limited
Silk Bank Limited
Allied Bank Limited
Dubai Islamic Bank
Soneri Bank Limited
NIB Bank Limited
Tameer Microfinance Bank
FINCA Microfinance Bank
NRSP Microfinance Bank
Habib Metropolitan Bank Limited
National Bank of Pakistan
Habib Bank Limited
The Bank of Punjab
U Microfinance Bank Limited
Burj Bank Limited



Registered 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

Head Office

23-A, Sundar Das Road, Zaman Park
Lahore.
PABX Tel: +92 42 36306730
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

- 1 0101
I.I. Chundrigar Road Branch
Shop No. 1 G Floor, Sheet RY-9, Survey No. 11/9/A Railway Quarter
I.I. Chundrigar Road, Karachi.
Tel: 021-32623667-70
- 2 0102
Shahrah-e-Faisal Branch
Adjoining Shop No. 2 & Arika 80's 25-B, S.M.C.H.S
Shahrah-e-Faisal, Karachi.
Tel: 021-34324657-58
- 3 0103
Orangi Town Branch
LS-5 Sector 1/A, Street No. 9, Qazi Chowk Orangi Town, Karachi.
Tel: 021-36652095-103
- 4 0104
Shah Faisal Colony Branch
H-26/4, Shah Faisal Colony No. 4, Karachi.
Tel: 021-34601749-50
- 5 0105
North Karachi Branch
LS-5, Street 11-K, North, Karachi.
Tel: 021-36961067-68
- 6 0106
Bhens Colony Branch
Plot No. 42/B Commercial Area, Road No. 08, Bhens Colony, Karachi.
Tel: 021-35081282-85
- 7 0107
Korangi Ind. Area Branch
Plot no. D-6, Future Colony, Landi, Karachi.
Tel: 021-35013400-3
- 8 0108
Napier Road Branch
NPR 8/1 Napier Road, Juana Market, Karachi.
Tel: 021-32527041-3
- 9 0109
Model Branch Gizri
K-4/3 & 4/4 Ch. Kaliaq-uz-Zaman Road, Gizri, Karachi.
Tel: 021-35865022-4
- 10 0110
Liaquat Market, Malir Branch
Plot No. 161, block B-3 Indus Mehran Society, Saudabad Malir, Karachi
Tel: 021-34113782-84

11 0111
Mehmoodabad Branch
Plot No. 169 Sheet No. M.A.C. Mehmoodabad No. 2
Jamshed Town, Karachi.
Tel: 021-35319240-3

12 0114
Gulshan Hadeed Branch
A-2483 Phase Gulshan -e- Hadeed Bin Qasim, Karachi.
Tel: 021-34717820-3

INTERIOR SINDH

13 0112
Larkana Branch
Old Anaj Mandi Larkana Gujan Pur Chowk District Larkana, Sindh.
Tel: 074-4055347-50

14 0113
Suigas Branch
Sui Gas Kumb Road Khairpur Mirs, Sindh
Tel: 024-3614440-5

15 0115
Khairpur Mirs Kachery Road Branch
D/ 270 Mohalla Ali Murad New Gohth, Deh & Taluka Khairpur Mirs, Sindh.
Tel: 024-3715330-5

16 0116
Risala Road Hyderabad Branch
City Survey No. F 73-74 Commercial, Risala Road Saddr, Hyderabad, Sindh
Tel: 022-2731282

17 0117
Tando Allahyar Branch
Plot No. 5/c Main Hyderabad Road Tando Allah Yar
Opposite: Soneri Bank Hyderabad, Sindh
Tel: 022-3890449, 022-3890450-8

18 0118
Tando Muhammad Khan Branch
City Survey no. 831 Ward B Court Road Tando Muhammad Khan.
Tel: 022- 3341811

19 0119
Ghotki Branch
Durvey No. 10 Daviry Road, Near Chando Ram Colony, Deh odher Wali Tehsil District Ghotki
Tel: 0723-662461-63

20 0120
Mir Pur Khas Branch
City Survey No. 731, Ward A Tourabad Umerkot Road, mirpur Khas
Tel: 0233- 87509698

21 0121
Umer Kot Branch
Shop No. 185 & 19 City Survey No. 115, Gulshan-e-Akber, Mirpur Khas Road Umer Kot
Tel: 0333- 2641848

22 0122
Nawab Shah Branch
City Survey No. 2146 165/ 1 Buehery Road, Nawab Shah

23 0123
Sukkur Branch
Shop No. 8 & 9 City Survey No. F-9 Pak Colony Race Course Road, Sukkur
Tel: 024- 4330080

24 0124
Shahdad Pur Branch
City Survey No. 379 Ward-A, Shahdad pur

25 0125
Tando Adam Branch
City Survey No.932, Muhammadi Chowk, Tando Adam

26 0126
Sanghar Branch
Shop No. 2 & 3 City Survey No. 752-755, Shopping Centre, M.A.Jinnah Road, Sanghar

27 0127
Mehar Branch
City Survey No. 659/ A Ward A VIP Road, Mehar

28 0128
Mehrabpur Branch
Plot No. III A/51 A Thari Road, Mehrabpur

29 0129
New Sabzi Mandi Branch
Shop No. 35, Block E, New Sabzi Mandi



PUNJAB AND KPK

- 30 0130
Sunder das Road, Lahore
23-A, Sundar das Road,
Lahore
042- 363053314
- 31 0131
G. T. Road Kamoki
Plot No. 10- A/SS Block, Main
G.T. Road, Kamoki
Tel: 055-6813676- 7
- 32 0132
Kotwali Road, Faisalabad
Kotwali Road, Faisalabad
Tel: 041- 2633470
- 33 0133
Jinnah Road, Okara
1835- Adjacent Allied Bank,
M. A. Jinnah Road, Okara
Tel: 0442- 510772-3
- 34 0134
Adiala Road, Rawalpindi
148/ 184, Khan Market,
Syeden Adiala Road,
Rawalpindi
Tel: 051- 5187050
- 35 0135
Main Shaikhupura
Opposite Wapda plaza,
Sargodha Road, Shaikhupura
Tel: 056-3613504
- 36 0136
Gujranwala G. T. Road
Ghori Center, Service Road,
G. T. Road, Gujranwala
Tel: 055- 3840261
- 37 0137
Sharaqpur, Shaikhupura
Sharaqpur Chowk, Faisalabad
Road, Shaikhupura
Tel: 056- 3791416
- 38 0138
Khanqa Dogran
Khanqa Dogra, Shaikhupura
Tel: 056- 3726328
- 39 0139
Church Road, Okara
Main Church Road, Okara
Tel: 044- 2510873
- 40 0140
Kharkhana Bazar, Vehari
Kharkhana Bazar, Vehari
Tel: 067- 3366421
- 41 0141
Stadium Road, Sahiwal
Stadium Road, Sahiwal
- 42 0142
Madina Chowk Depalpur
Arain Bazar, Main Market,
Depalpur
Tel: 044- 454001-5
- 43 0143
Kasur
Pul Qatal Ghari, Kutchery
Road, Kasur
Tel: 0492-761225
- 44 0144
Hujra Muqeem Shah
Hujra muqeem Shah,
Depalpur
Tel: 044- 4860202-3
- 45 0145
Lodhran
Bahawalpur Road, Lodhran
Tel: 0608- 361821
- 46 0146
Model Town, Lahore
Shop No. 31 & 33, Block A,
Store Market, Model Town,
Lahore
- 47 0147
Ichhra, Lahore
Shop No. 4, Arshian, Ichhra,
Lahore
Tel: 042- 37428273-75
- 48 0148
Sialkot
Opposite Allama iqbal Library,
Paris Road, Sialkot
Tel: 052- 4583477
- 49 0149
Saddar Cantt, Lahore
Al-Rehman Shopping, Decca
Road, Near Bank Alfalah,
Saddar Cantt. Lahore
- 50 0150
Haveilli Lakhani
Pakpatan Road, Haveilli
Lakhani
- 51 0151
Multan
Shop No. 1, Mashallah Plaza,
Azam Basti Road, Sadhu
Hassan, Multan
Tel: 061- 4540155
- 52 0152
Layyah
House No. 4, Collage Road,
Jinnah Colony, near Sugar Mill
Colony, K Layyah
Tel: 0606-410246
- 53 0153
Township, Lahore
Plot no. 13, Block B1, Quaid-
e-Azam Town, Barkat Chowk,
Township Scheme, Lahore
- 54 0154
Ferozepur, Lahore
Opposite Descon, 18 KM
Ferozepur Road, Lahore
- 55 0155
DHA, Lahore
51 TT Block, phase IV, DHA,
Lahore
- 56 0156
Chungi Amar Sidhu
Kacha Jail Chungi, Amar
Siddhu, Lahore.
- 57 0157
Jia Musa Shahdara
Near Gormet Bakers, Begum
Kot Road, Lahore
- 58 0158
Mardan
Baghdad Parhoti Road,
Mardana
- 59 0159
Peshawar, Sabzi Mandi
Block 15 A, Fruit & Vegetable
Market, Inqalaba Road,
Peshawar
- 60 0160
Nowshehra
Shobra Hotel, G. T. Road,
Nowshehra
Tel: 0923-6121116
- 61 0161
Charsaddah
S. S. Plaza, Batch Khan
Chowk, Charsaddah
- 62 0162
Peshawar Dean Trade Center,
Peshawar Cantt.
Shop No. LG 13, 13A, 13 B,
14 and 14 A, Dean Trade
Centre, Peshawar Cantt



- 63 0163
Daska
8723-A, Near Muslim Bank,
Market Road, near M A Place
Bank Road, Daska
- 64 0164
Mirpur Azad Kashmir
35 A, Sector B/2, Main Mian
Road, Nagi Bank Squire, Azad
Kashmir
- 65 0165
Gilgit
Khasra No. 4472/2403/579,
opposite Army Communicates
NHA Complex Jutial, Gilgit
- 66 0166
Rahim Yar Khan
Shop No. 941, Zone-1, Ashraf
Complex Jutial, Gilgit
- 67 0167
Quetta
Commercial Property No. 894,
235/272, Mission Road, Near
Meezan Chowk, Quetta
Tel: 081- 2821021
- 68 0168
Wah Radha Ram
Khwat No. 36, Khatooni No.
494, Main Bazar, Habibabad,
Teesil Patoki District Kasur
- 69 0169
Bhawalpur
Shop no. 12- 15, Pelican
Shopping plaza, Yazman
Road, Bhawalpur Canit.
- 70 170
Gujranwala Road Hafizabad
Khasra No 2380/841
Gujranwala Road Hafizabad
- 71 171
Bhawalnagar
Khwat No 2145 Khatonee
2240 Grain Market
Bhawalnagar Disst
Bhawalnagar.
- 72 172
Chechawatnee
Plot No. 153 Grain Market G.T
Road Chichawatni.
- 73 173
Qasimabad
Phase II, Deh Jamshoro Tappa
Jamshoro Taluka Qasimabad
Dist Hyderabad
- 74 174
Kahana Nou
Kahana Nou Main Ferozpur
Road Tehsil Model Town
Lahore
- 75 175
Raiwind
Railway Road Station Raiwind
Tehsil Lahore Disst Lahore
- 76 176
Peoples Colony Faisalabad
P-241 Block B, D Ground
Peoples Colony No 1
Faisalabad.
- 77 177
Chorastan Mian Khan
Khwat No 1/1, Khatonee 1 to
31 Arrodey Wala Main Khan
Tehsil Depalpur District Okara.
- 78 178
Jhang
P-95 A, WARD # 37, GOJRA
ROAD, GOVT GIRLS
COLLEGE CHOWK SADDAR
JHANG.
- 79 179
Fort Abbas
Khwat No 265-266 Khatonee
265 School Bazar Fort Abbas
Disst Bhawalnagar
- 80 180
Dharanwala
Propert Bearing Khwat No.
265/266, Khhatooni No.265
Dahranwala
- 81 181
Manchinabad
Property bearing Khwat #
200, Khatooni# 200 Circular
Road, Minchan Abad
- 82 182
Haroonabad
Khwat No 715, Khatonee 715
Main Ghalla Mandi Road
Haroonabad District
Bhawalnagar
- 83 183
Mandi Bahuddin
Khatonee No. 622 Khwat No.
616 Railway Road / Bank
Road Mandi Bahuddin
- 84 184
Burewala
Plot No: 11, V Block Housing
Scheme Multan Road
Burewala
- 85 185
Bagdada Par Hoti Road
Mardan
Adjacent to Bangalow No 7,
Bughdada Road, Par Hoti
Mardan
- 85 0185
Bagdad Par Hoti Road,
Mardan
Adjacent to Bangalow No 7,
Bughdada Road, Par Hoti
Mardan.
0937-560171 0331 9814565
- 86 0186
Kot Khadim Ali Shah Sahiwal
Khata No:- 331/1470 -
Khatoni No:- 669/1847 -
Chak No:- 85/6-R Teh & Disst
Sahiwal.
040-4221199
- 87 0187
Taxila
Khasra No. 261 to 263 Saray
Khola Taxila Disst
Rawalpindi.
- 88 0188
Al Jalil Garden Lahore
Plot No: 09 Kot Noor Shah
(Al Jalil Garden) Shurqpur
Road, Lahore.
- 89 0189
Bhagtanwala, Sargodha
Plot No. 164/147 Bhagtanwala
Kotmomin Road Sargodha.
- 90 0190
Bhalwal
Khata No. 95, Ahata No. 130.
Chak No. 8, Shamali, (Hari
Chand Basti Road) Liaquat
Shaheed Road, Bhalwal.
- 91 0191
Pakpatan
Khwat No. 1294, Khatooni
No. 1530, Pakpatan.
- 92 0192
Arifwala
Khwat No. 1207, Khatooni
No. 1224, Khasra No
2517/177, Arifwala.
- 93 0193
Gujar Khan
Haji Fazal Dada, Plaza No.
13-A, Railway Road, Gujar
Khan.



- 94 0194
Chakwal
Property No. B-II-5-S/7, Bhaun
Road, Chakwal.
- 95 0195
Muridke
Khwat No: 8 Khatonee No
292 Khasra No 856 G.T Road
Muridke
- 96 0196
Barakahu
Khwat No 258 Khatoni No
330-331 Khasra No 1119
Hathal, Bara Kahu Islamabad.
- 97 0197
Dina
Aziz plaza, 1-km mangla road,
dina jhelum
- 98 0198
Gojra
Plot no 1-40, ghallah mandi
gojra faisalabad
- 99 0199
Khushab
P-58B/59A, Block No.1, Janubi
Bazar Jauharabad Chak No
64 mb khushab
- 100 0200
Muree
P-58B/59A, Block No.1, Janubi
Bazar Jauharabad Chak No
64 Mb Khushab
- 101 0201
Bhakkar
Plot no 2/3, Railway Road
Bhakkar
0331-3999235

Directors' Report

On behalf of the Board of Directors, I am pleased to present the reviewed Condensed Interim Financial Statements of the Bank for the half year ended June 30, 2016.

Operational and Financial Review

Particulars	30 June 2016	31 December 2015	%
	Un-Audited	Audited	Change
Advances-net of provisions	6,260,885,380	2,588,423,092	142%
Deposits and other accounts	10,420,588,645	4,546,697,079	129%

Particulars	30 June 2016	30 June 2015	%
	Un-Audited	Un-Audited	Change
Mark-up/return/interest earned	595,079,204	163,266,364	264%
Mark-up/return/interest expensed	(248,524,958)	(66,915,186)	271%
Administrative expenses	(453,327,126)	(118,867,059)	281%
Profit / (loss) after taxation	51,684,828	(36,853,562)	240%

The Bank posted a profit after tax in the current period amounting to PKR 51.68 million as compared to a loss of PKR 36.85 million in the corresponding period. The equity (net of losses) of the bank stood at PKR 1,081.80 million and the total assets have grown to PKR 11,697.125 million from PKR 5,670.479 million as at 30 June, 2016, the earnings per share for the period ended June 30, 2016 is PKR 0.23 as compared to a loss per share was of PKR (0.31) in the corresponding period. The major factor attributable to this profit is the reversal for provision of non-performing loans and utilization of losses against taxable income which results in the booking of deferred tax asset.

Since the beginning of this financial period the management is intensively working on increasing their foot prints in those areas which are still unbanked and where absorptive capacity for microfinance services exists. On achieving the national license from SBP the management continued with this growth strategy by enhancing their presence in other provinces of Pakistan.

As per Bank's plan to increase lending in the 2016 and as expected, the gross advances portfolio has shown a healthy growth and has increased to PKR 6,320.692 million in comparison to the corresponding year figure of PKR 2,654.416 million registering a rise of 138%. The bank's liquidity profile remains strong at PKR 3,888.163 million in liquid assets which is approximately 33% of our total assets.

As a result of the managements approach to improve its markup income by rationalizing its returns on funds deployed, the interest/mark-up income shows an increase of 264% over the corresponding period. However markup interest expense has increased by 271% over the corresponding period. Future strategy of the management is to attract low cost deposits which will hopefully cover future/ upcoming costs.

The administrative expenses have increased by 281% over the figures of the corresponding period. The major factor attributable to this rise is the increase in manpower as a direct result of the new branches opened during the period. For the coverage of the banks growth and expansion strategy in the current period the bank persisted with the hiring of professional and competent people to further strengthen the team and to bring efficiency in the Internal Controls over system & procedures. The management is focusing its efforts on extensive training of existing HR in order to bring efficiency and order in operations.



Future Outlook

As per bank's policy of continued expansion the management planned to open 53 new branches during 2016 in cities across Pakistan. The expansion plan for 2016 includes 45 new branches to be opened in Punjab, 6 in Khyber Pakhtunkhwa and 1 branch each in Gilgit and Azad Kashmir. By the end of June quarter, 2016 the management has successfully opened a total of 32 new branches in different cities of Pakistan, out of these, 30 branches have been opened in Punjab, 1 in Sindh and 1 in Khyber Pakhtunkhwa. The management is preferably considering opening new branches only in unbanked microfinance area so that the deserving/prospective customers can be served. We are confident that opportunities in Punjab and KPK will definitely support in the growth of our business.

Credit Rating

The Pakistan Credit Rating Agency (Pvt) Ltd. has maintained the long term and the short term ratings of the bank at "BBB+" (Triple B+) and "A3" (A Three), respectively, however, the future outlook of the bank has been upgraded from a "Stable" to "Positive". 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 Pakistan Stock Exchange for their continued guidance and support.

Lahore: August 19th, 2016

On behalf of the Board

Muhammad Farooq Abid Tung
President and CEO



ڈائریکٹر رپورٹ

☆ بروڈ آف ڈائریکٹری کی اجازت سے میں انتہائی مسرت کے ساتھ 30 جون 2016 کو ختم ہونے والے عبوری مالی سال کی تجزیہ شدہ مختصر بینک فنانشل رپورٹ پیش کر رہا ہوں۔

Particulars	30 June 2016	31 December 2015	%
	Un-Audited	Audited	Change
Advances-net of provisions	6,260,885,380	2,588,423,092	142%
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Administrative expenses	(453,327,126)	(118,867,059)	281%
Profit / (loss) after taxation	51,684,828	(36,853,562)	240%

انتظامی اور مالیاتی جائزہ:

بینک نے پچھلے سال 36.85 ملین روپے کے نقصان کے مقابلے میں اس مدت میں 51.68 ملین روپے کا منافع ٹھاڑ کیا۔ 30 جون 2016 تک بینک کی کل ایکٹیو (بعد از نقصانات) 1081.80 ملین روپے تھے جبکہ 30 جون 2016 کو بینک کے اکاؤنٹس 5670.479 ملین روپے سے بڑھ کر 11697.125 ملین روپے تک پہنچ گئے ہیں رواں مدت جو کہ 30 جون 2016 کو ختم ہوئی میں فی حصص منافع 0.23 روپے ہے جبکہ گزشتہ برس فی حصص نقصان (0.31) روپے تھا۔ اس منافع کی وجہ ان عناصر کی روک تھام سے منسوب ہے جن میں غیر بیجا ادائیگی، تھامیل ٹیکس نقصانات کا استعمال ہے جو کہ ڈیفرو ٹیکس ایسٹ بک کرنے کا باعث ہیں۔

اس مالی سال کی ابتدا سے ہی انتظامیہ نے ان علاقوں پر خصوصی توجہ دی جہاں بینک کم ہیں اور وہاں مانگیر وہاں تنگ کے لئے بہتر مواقع موجود ہے۔ سٹیٹ بینک آف پاکستان سے پیش لائسنس حاصل کرنے پر انتظامیہ نے دوسرے صوبوں میں اپنی موجودگی ٹھاڑ کرنے کی اپنی ترقی کی رفتار کو برقرار رکھنے کی حکمت عملی کو جاری رکھا۔

بینک کے منصوبے کے مطابق جیسا کہ توقع کی جا رہی تھی گزشتہ مالی سال میں مجموعی ایڈوائس پورٹ فولیو میں ہونے والے اضافہ 2654.416 ملین روپے کا موازنہ موجود مدت میں ہونے والے اضافہ 6320.692 ملین روپے سے کیا جائے تو معلوم ہوتا ہے کہ اس میں 138 فیصد ریکارڈ اضافہ ہوا ہے۔ اس طرح بینک کے لیکویڈ اضافہ جات اس وقت 3888.163 ملین روپے ٹھوس کی سطح پر ہیں جو کہ بینک کے کل اضافہ جات کا تقریباً 33 فیصد ہیں

انتظامیہ نے اپنی مارک اپ سے ہونے والی آمدن کو بھرتانے کے لئے جو اقدامات کئے ہیں ان کی وجہ سے گزشتہ مالی سال کے مقابلے میں رواں مدت میں مارک اپ اور انٹرنسٹ میں 264 فیصد اضافہ ہوا ہے۔ تاہم مارک اپ اور انٹرنسٹ کے اخراجات میں 271 فیصد اضافہ ہوا تو اس سلسلہ میں انتظامیہ نے آئندہ کے لئے یہ ارادہ کیا ہے کہ مارک اپ والے ڈیپازٹ کو ترجیح دی جائے امید کی جاتی ہے کہ اس اقدام سے مستقبل میں ہونے والے اخراجات کو پورا کیا جاسکے گا۔

گزشتہ مالی سال کے مقابلے میں رواں مالی سال میں انتظامیہ اخراجات 281 فیصد بڑھ چکے ہیں اس کی بڑی وجہ رواں مالی سال میں نئی برانچز کھولنے کی وجہ سے بڑھنے والے افرادی قوت کے اخراجات ہیں۔ بینک کی ترقی اور ان اخراجات کی واپسی کے لئے انتظامیہ نے فیصلہ کیا ہے کہ وہ مستقبل میں انتہائی پیشہ ور اور قابل لوگوں کی خدمات حاصل کرے گا جو ہمارے اندرونی نظام اور طریقہ کار کو بہتر طور پر چلا سکیں گے۔ انتظامیہ کی اولین ترجیحات میں موجودہ افرادی قوت کو تربیت دینا ہے جس سے ان کی انتظامی امور کو انجام دینے کی استعداد بہتر ہو سکے۔



آئندہ کا لائحہ عمل:

بینک کی توسیعی پالیسی 2016 کے مطابق ملک کے مختلف شہروں میں ادراوں مالی سال 2016ء کے دوران 53 نئی براچیز کھولی جائیں گی۔ اس توسیعی پالیسی کے سلسلہ میں 45 نئی براچیز پنجاب کے مختلف شہروں میں کھولی جائیں گی جبکہ 6 خیر بختوں خواہش 1 گلگت اور 1 آزاد کشمیر میں کھولی جائے گی۔ جون 2016 میں ختم ہونے والی سرمایہ کے دوران انتظامیہ نے ملک کے مختلف شہروں میں 32 نئی براچیز کا آغاز کر دیا ہے ان میں سے 30 براچیز پنجاب جبکہ 1 خیر بختوں خواہ اور 1 سندھ میں کھولی گئی ہے۔ انتظامیہ ان علاقوں میں براچیز کھولنے کو ترجیح دے رہی ہے جہاں پہلے سے بینک موجود نہیں اور وہاں مائیکرو فنڈنگ کے لئے سکوپ موجود ہے، تا کہ وہاں پر موجود ضرورت مند صارفین کو بہتر سہولتیں مہیا کی جائیں۔ ہمیں یقین ہے کہ اگر پنجاب اور خیر بختوں خواہ کے علاقوں میں موقع سے فائدہ اٹھایا جائے تو ہمارے کاروبار میں یقینی ترقی ہوگی۔

گریڈ ریٹنگ:

پاکستان گریڈ ریٹنگ ایجنسی پرائیویٹ لمیٹڈ نے بینک کو لانگ ٹرم ریٹنگ "BBB+" (Triple B+) اور شارٹ ٹرم ریٹنگ "A3" (A Three) پر قرار رکھی ہے۔ تاہم بینک کی فلوچ آرڈر لک "Stable" سے "Positive" میں اپ گریڈ ہو چکی ہے۔ یہ ریٹنگ بتاتی ہے کہ اس وقت بینک بروقت مالیاتی ادائیگیوں کے لئے اچھی صلاحیت رکھتا ہے۔

اعترافات:

اس موقع پر ہم اپنے معزز صارفین، حصص داران، کھاتہ داروں کے ساتھ سرپرستوں کے اعتماد اور انتظامیہ کے ساتھ ملازمن کا محنت اور لگن سے اپنا بھرپور کردار ادا کرنے پر شکر یہ ادا کرتے ہیں۔ اس کے ساتھ ہم ٹیٹ بینک آف پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان ٹراک ایکسچینج کے بھی مشکور ہیں جنہوں نے ہماری مستقل رہنمائی جاری رکھی۔

لاہور 19 اگست 2016ء

بورڈ کی جانب سے

محمد فاروق ماریٹنگ

صدر ایگزیکٹو ای او

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of APNA MICROFINANCE BANK LIMITED ("the Bank") as at 30 June 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity for the six months period then ended (here-in-after referred to as the "interim financial information"), and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2016 and June 30, 2015 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2016.

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 information 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 information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

RSM AVAIS HYDER LIAQUAT NAUMAN

Chartered Accountants

Engagement Partner: Syed Ali Adnan Tirmizey

Place: Lahore

Date: 19 August, 2016



APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT JUNE 30, 2016

	Note	30 June 2016	31 December 2015
		----- Rupees ----- (Un-Audited)	(Audited)
ASSETS			
Cash and balances with SBP and NBP	5	1,102,933,396	237,836,612
Balances with other banks/NBFs/MFBs	6	2,286,710,879	1,758,682,849
Lending to financial institutions		-	-
Investments- net of provisions	7	498,518,658	257,598,018
Advances-net of provisions	8	6,260,885,380	2,588,423,092
Operating fixed assets	9	637,939,962	351,136,431
Other assets	10	844,974,753	476,801,818
Deferred tax assets	18	65,161,929	-
Total assets		11,697,124,957	5,670,478,820
LIABILITIES			
Deposits and other accounts	11	10,420,588,645	4,546,697,079
Borrowings	12	-	-
Subordinated debt		-	-
Other liabilities		173,400,200	68,758,801
Deferred tax liabilities		-	-
Total liabilities		10,593,988,845	4,615,455,880
NET ASSETS		1,103,136,112	1,055,022,940
REPRESENTED BY:			
Share capital	13	2,200,000,000	2,200,000,000
Discount on issue of shares		(950,000,000)	(950,000,000)
Statutory reserve		1,279,583	1,279,583
Depositors' protection fund		319,896	319,896
Accumulated loss		(169,800,862)	(221,485,690)
		1,081,798,617	1,030,113,789
Deficit on revaluation of assets		(657,886)	(50,142)
Deferred grants	14	21,995,381	24,959,293
Share deposit money		-	-
		1,103,136,112	1,055,022,940
MEMORANDUM/ OFF BALANCE SHEET ITEMS	16	-	-

The annexed notes 1 to 22 form an integral part of these condensed interim financial information.

President/Chief Executive Officer

Chairman

Director

Director



APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016

	Note	Half year ended 30 June		Quarter ended 30 June	
		2016	2015	2016	2015
----- Rupees -----					
Mark-up/return/interest earned	17	595,079,204	163,266,364	358,967,211	92,909,474
Mark-up/return/interest expensed		(248,524,958)	(66,915,186)	(142,992,548)	(37,686,908)
Net mark-up/interest income		346,554,246	96,351,178	215,974,663	55,222,566
Provision against non-performing loans and advances		6,186,454	(36,063,905)	42,692,060	(12,998,214)
Provision for diminution in the value of investments		-	-	-	-
Recovery against bad debts written off		689,227	2,210,065	166,021	1,572,324
Bad debts written off directly		-	-	-	-
		6,875,681	(33,853,840)	42,858,081	(11,425,890)
Net mark-up/interest income after provisions		353,429,927	62,497,338	258,832,744	43,796,676
Non mark-up/non interest income					
Fee, commission and brokerage income		48,823,515	4,923,151	25,856,299	3,458,519
Dividend income		-	-	-	-
Other income		44,500,429	16,274,903	11,352,982	13,038,995
Total non mark-up/non interest income		93,323,944	21,198,054	37,209,281	16,497,514
		446,753,871	83,695,392	296,042,025	60,294,190
Non mark-up/non interest expenses					
Administrative expenses		(453,327,126)	(118,867,059)	(254,508,370)	(65,975,703)
Other provisions/write offs		-	-	-	-
Other charges		-	-	-	-
Total non mark-up/non interest expenses		(453,327,126)	(118,867,059)	(254,508,370)	(65,975,703)
		(6,573,255)	(35,171,667)	41,533,655	(5,681,513)
Extra ordinary/unusual items		-	-	-	-
Profit/(loss) before taxation		(6,573,255)	(35,171,667)	41,533,655	(5,681,513)
Taxation - Current	18	(6,903,846)	(1,681,895)	(3,947,593)	(957,302)
- Deferred		65,161,929	-	19,283,701	-
		58,258,083	(1,681,895)	15,336,108	(957,302)
Profit/(loss) after taxation		51,684,828	(36,853,562)	56,869,763	(6,638,815)
Accumulated loss brought forward		(221,485,690)	(192,270,001)	(226,670,625)	(222,484,748)
		(169,800,862)	(229,123,563)	(169,800,862)	(229,123,563)
Appropriations					
Transfer to					
Statutory reserve		-	-	-	-
Capital reserve		-	-	-	-
Contribution to MSDF/ DPF/ RMF		-	-	-	-
Revenue reserve		-	-	-	-
Proposed cash dividend Rupee Nil per share (2015: Rupee Nil per share)		-	-	-	-
Others		-	-	-	-
Accumulated loss carried forward		(169,800,862)	(229,123,563)	(169,800,862)	(229,123,563)
Earnings/(loss) per share - basic and diluted		0.23	(0.31)	0.26	(0.06)

The annexed notes 1 to 22 form an integral part of these condensed interim financial information.

President/Chief Executive Officer

Chairman

Director

Director



APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016

	Half year ended 30 June		Quarter ended 30 June	
	2016	2015	2016	2015
	----- Rupees -----			
Profit/(Loss) after taxation	51,684,828	(36,853,562)	56,869,763	(6,638,815)
Other comprehensive income				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be subsequently reclassified to profit or loss	-	-	-	-
Comprehensive income/(loss) transferred to equity	51,684,828	(36,853,562)	56,869,763	(6,638,815)
Components of comprehensive income not reflected in equity				
Net change in fair value of available-for-sale investments	(607,744)	(690,418)	(422,105)	(690,418)
Total comprehensive income for the period	51,077,084	(37,543,980)	56,447,658	(7,329,233)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

President/Chief Executive Officer

Chairman

Director

Director



APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016

Note	30 June	30 June
	2016	2015
	----- Rupees -----	
	(Un-audited)	(Un-audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(6,573,255)	(35,171,667)
Adjustments for non-cash items		
Depreciation	12,693,301	7,428,463
Amortization of Intangibles	4,046,232	4,774,680
Provision against non-performing advances	(6,186,454)	36,063,905
Amortization of discount on TFCs	(101,728)	-
Amortization of deferred grants	(2,963,912)	(2,958,561)
Loss/(gain) on disposal of fixed assets - net	(688,900)	1,068,279
Fair value adjustment on investments classified as held-for-trading	-	241,375
	6,798,539	46,618,341
Operating cash flows before working capital changes	225,284	11,446,674
Changes in working capital		
(Increase) in operating assets		
Advances	(3,666,275,834)	(303,306,668)
Other assets	(375,076,781)	(82,847,192)
	(4,041,352,615)	(386,153,860)
Increase in operating liabilities		
Deposits	5,873,891,566	784,421,650
Other liabilities	104,641,399	6,460,943
	5,978,532,965	790,882,593
Cash flow from operations	1,937,405,634	416,175,407
Income tax paid	-	(4,105,222)
Net cash flow from operating activities	1,937,405,634	412,070,185
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	-	(53,269,750)
Net investments in held for trading securities	51,248,672	8,545,123
Net investments in held to maturity securities	(292,675,328)	-
Investments in operating fixed assets	(289,847,364)	(20,233,559)
Investments in intangible assets	(13,695,700)	(669,120)
Sales proceeds from disposal of operating fixed assets	688,900	-
Net cash flows used in investing activities	(544,280,820)	(65,627,306)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share deposit money - net	-	-
Grant received from SBP - net	-	13,546,000
Utilization of grant	-	(19,018,754)
Proceeds from issue of right shares	-	550,000,000
Net cash flows from financing activities	-	544,527,246
Increase / (decrease) in cash and cash equivalents for the period	1,393,124,814	890,970,125
Cash and cash equivalents at the beginning of the period	1,996,519,461	596,478,759
Cash and cash equivalents at the end of the period	15 3,389,644,275	1,487,448,884

The annexed notes 1 to 22 form an integral part of these condensed interim financial information.

President/Chief Executive Officer

Chairman

Director

Director



APNA MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016

	Rupees					Total
	Share Capital	Discount on Issue of Shares	Statutory Reserve	Depositors' Protection Fund	Accumulated Profit/(Loss)	
Balance as at December 31, 2014	1,100,000,000	(400,000,000)	1,279,583	319,896	(192,270,001)	509,329,478
Comprehensive income/(loss) for the period	-	-	-	-	(36,853,562)	(36,853,562)
Profit/(loss) after taxation	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	(36,853,562)	(36,853,562)
Transfer to Statutory Reserve*	-	-	-	-	-	-
Transfer to Depositors' Protection Fund (DPF)**	-	-	-	-	-	-
Issue of right shares	1,100,000,000	(550,000,000)	-	-	-	550,000,000
Balance as at June 30, 2015	2,200,000,000	(950,000,000)	1,279,583	319,896	(229,123,563)	1,022,475,916
Comprehensive income/(loss) for the period	-	-	-	-	7,637,873	7,637,873
Profit/(loss) after taxation	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	7,637,873	7,637,873
Total comprehensive income/(loss) for the period	-	-	-	-	7,637,873	7,637,873
Transfer to Statutory Reserve*	-	-	-	-	-	-
Transfer to Depositors' Protection Fund (DPF)**	-	-	-	-	-	-
Issue of right shares	2,200,000,000	(950,000,000)	1,279,583	319,896	(221,485,690)	1,030,113,789
Balance as at December 31, 2015	-	-	-	-	51,684,828	51,684,828
Comprehensive income/(loss) for the period	-	-	-	-	51,684,828	51,684,828
Profit/(loss) after taxation	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	51,684,828	51,684,828
Total comprehensive income/(loss) for the period	-	-	-	-	51,684,828	51,684,828
Transfer to Statutory Reserve*	-	-	-	-	-	-
Transfer to Depositors' Protection Fund (DPF)**	-	-	-	-	-	-
Issue of right shares	2,200,000,000	(950,000,000)	1,279,583	319,896	(169,800,862)	1,081,798,617
Balance as at June 30, 2016	-	-	-	-	-	-

* The Prudential Regulations for microfinance banks require the microfinance banks to create a statutory reserve to which shall be credited an amount equal to at least 20% of its annual Profits after taxes till such time the reserve fund equals to Paid-up Capital of Microfinance bank and thereafter, an amount not less than 5% of its annual Profits after taxes.

** The Microfinance Institutions Ordinance, 2001 requires microfinance banks to maintain Depositors' Protection Fund (DPF) for the purpose of mitigating risk of its depositors to which shall be credited not less than 5 percent of the annual profit after taxes.

The annexed notes 1 to 22 form an integral part of these condensed interim financial information.


Director


Director


Chairman


President/Chief Executive Officer

Director

Director

Chairman

President/Chief Executive Officer



**APNA MICROFINANCE BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2016**

1. STATUS AND NATURE OF BUSINESS

- 1.1 Apna Microfinance Bank Limited ("the Bank") was incorporated on May 08, 2003 as a public limited Bank under the Companies Ordinance, 1984. The Bank was granted a certificate of commencement of business on December 28, 2004 and its operations started from January 01, 2005. Its shares are listed on Pakistan 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 101 branches (December 2015: 69 branches) and its registered office is situated at K-4/3 and 4/4, Ch. Khaliq-uz-Zaman Road, Gizri, Karachi.
- 1.2 During the year ended December 31, 2015, the bank has achieved the status of national level microfinance bank pursuant to license issued by State Bank of Pakistan and its equity (free of losses) as at the balance sheet date meets the minimum capital requirements (MCR) of Rupees 1,000 million as stipulated in Prudential Regulations for Microfinance Banks.

2. BASIS OF PREPARATION

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

2.1 Statement of Compliance

This condensed interim financial report of the Bank for the half year ended June 30, 2016 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 'Interim Financial Reporting', provisions 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). In case where the requirements differ, the provisions of Companies Ordinance, 1984, the Microfinance Institution Ordinance 2001, the Prudential Regulations of Microfinance Banks/Institutions or the requirements of the said directives have been followed.

- 2.2 SBP has deferred the applicability of International Accounting Standard - 39 'Financial Instruments Recognition and Measurement' and International Accounting Standard - 40 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 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 633(1)/2014 dated July 10, 2014. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim financial information.

2.3 Basis of Presentation

This condensed interim financial information is prepared in accordance with BSD Circular No. 11 dated December 30, 2003 issued by the State Bank of Pakistan (SBP) and IAS - 34 'Interim Financial Reporting' and hence do not include all the information required in the annual financial statements. Accordingly, this condensed financial information should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2015. This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors.

This condensed interim financial information is presented in Pak Rupees (PKR), which is the Company's functional and presentation currency.



3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards which requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Bank's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Bank for the year ended December 31, 2015.

4 ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and the methods of computation adopted in preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2015.



	Note	30 June 2016	31 December 2015
		Rupees	
		(Un-audited)	(Audited)
5. CASH AND BALANCES WITH SBP AND NBP			
Cash in hand – local currency		365,251,028	107,058,721
Balance with State Bank of Pakistan	5.1	727,310,671	122,119,149
Balance with National Bank of Pakistan in:			
Current account		10,371,697	8,658,742
Deposit account		-	-
		<u>1,102,933,396</u>	<u>237,836,612</u>
5.1 This represents balance maintained in current account with the State Bank of Pakistan to meet the requirements of maintaining a minimum balance equivalent to not less than 5% of the Bank's time and demand liabilities in accordance with Regulation 3 of the Prudential Regulations.			
6. BALANCES WITH OTHER BANKS/NBFI's/MFBs			
In Pakistan			
- on Current account		39,256,097	49,480,887
- on Deposit account	6.1	1,777,454,782	1,259,201,962
- certificates of deposits	6.2	470,000,000	450,000,000
		<u>2,286,710,879</u>	<u>1,758,682,849</u>
6.1 These carry mark-up rates ranging from 4 to 7 percent (2015: 4 to 9 percent) per annum.			
6.2 These represent placements with different financial institutions carrying markup ranging from 7 to 11.25 percent (December 31, 2015: from 7.1 to 9.75 percent) per annum. Their maturity ranges from three months to one year from the date of placement.			
6.3 The Bank has obtained a running finance facility of Rs. 190 million to ensure that sufficient funds are available in the current account with State Bank of Pakistan (SBP) to honor clearing obligations in case the funds in current account with SBP fall short. These borrowings are secured against lien over time deposit receipt of Rs. 200 million in the name of Apna Microfinance Bank Limited.			
7. INVESTMENTS-NET OF PROVISION			
Held-for-trading			
- Term Finance Certificates (TFCs)	7.1	-	19,631,516
Fair value adjustment		-	(437,579)
		-	19,193,937
National Bank of Pakistan NAFA - Mutual Fund			
Opening Balance		32,054,735	-
Placements made during the year		-	31,000,000
Fair value adjustment		-	1,054,735
Redemptions made during the year		(32,054,735)	-
Closing Balance		-	32,054,735
Held-to-maturity			
B R R Guardian Modaraba - Term Finance Certificate (TFCs)	7.2	10,115,192	10,115,192
Amortization of discount		1,643,434	1,541,706
		11,758,626	11,656,898
Treasury Bills	7.3	433,838,402	141,163,074
Available for sale			
Federal Government Securities			
- Pakistan Investment Bonds (PIBs)	7.4	53,529,374	53,579,516
Fair value adjustment		(607,744)	(50,142)
		52,921,630	53,529,374
		<u>498,518,658</u>	<u>257,598,018</u>



- 7.1 This represents Term Finance Certificates of Jahangir Siddiqui Company Limited. These carried mark-up at the rate of 6 Months KIBOR + 2.4% per annum. These certificates have been redeemed as on April 30, 2016.
- 7.2 This represents 4000 units of TFCs of B.R.R Guardian Modaraba, which were issued for 8 years having maturity on December 07, 2016 and carry markup at the rate of 1 Month KIBOR per annum.
- 7.3 This represents T-Bills issued for a period of three to six months carries interest rate ranges from 5.85 to 6.40 percent (December 2015: 6.40 percent).
- 7.4 This represents PIBs issued for a period of three years having maturity on July 17, 2017. These carry interest at the rate 11.25% per annum.

8. ADVANCES - NET OF PROVISIONS

Note	30 June 2016		31 December 2015	
	No. of Loans Outstanding	Amount	No. of Loans Outstanding	Amount
	----- Rupees -----			
	----- (Un-Audited) -----		----- (Audited) -----	
Micro credits	46,166	6,320,692,234	21,614	2,654,416,400
Less: Provision held:				
- Specific		578,486		42,365,121
- General		59,228,368		23,628,187
8.3		59,806,854		65,993,308
Advance - net of provisions	46,166	6,260,885,380	21,614	2,588,423,092

8.1 Particulars of non-performing advances

Advances include Rs.26,419,721/- (December 2015: Rs.119,238,155/-) which have been placed under non performing status as detailed below:

Category of classification	30 June 2016			31 December 2015		
	Amount Outstanding	Provision Required	Provision Held	Amount Outstanding	Provision Required	Provision Held
	----- Rupees -----					
	----- (Un-Audited) -----			----- (Audited) -----		
OAEM	25,288,486	-	-	55,458,267	-	-
Sub-standard	109,054	1,949	1,949	4,050,471	969,782	969,782
Doubtful	333,612	1,043	1,043	36,396,830	18,062,752	18,062,752
Loss	688,569	575,494	575,494	23,332,587	23,332,587	23,332,587
	26,419,721	578,486	578,486	119,238,155	42,365,121	42,365,121

- 8.2 All advances falling into 'Loss' category are 100% insured from 'The United Insurance Company of Pakistan Limited' (a related party).

8.3 Particulars of provisions against non-performing advances

	30 June 2016			31 December 2015		
	Specific	General	Total	Specific	General	Total
	----- Rupees -----					
	----- (Un-Audited) -----			----- (Audited) -----		
Opening balance	42,365,121	23,628,187	65,993,308	25,090,505	7,444,037	32,534,542
Charge for the period	(41,786,635)	35,600,181	(6,186,454)	17,274,616	16,184,150	33,458,766
Amount written off	-	-	-	-	-	-
Closing Balance	578,486	59,228,368	59,806,854	42,365,121	23,628,187	65,993,308

Note

	30 June 2016	31 Dec 2015
	----- Rupees -----	
	(Un-Audited)	(Audited)

9 OPERATING FIXED ASSETS

Capital work in progress	483,567,466	228,187,864
Property and equipment	136,318,280	114,544,018
Intangible assets	18,054,216	8,404,749
	637,939,962	351,136,431

10. OTHER ASSETS	Note	30 June 2016	31 December 2015
		(Un-audited)	(Audited)
Income/mark-up accrued		368,855,177	171,301,700
Advances to staff	10.1	129,558,141	88,374,977
Advances, deposits, advance rent and other prepayments		212,540,835	148,459,648
Advance income tax - net of provision		4,785,752	4,040,340
Security deposits		28,308,370	22,772,375
Inter banks ATM settlement account		11,704,347	-
Insurance claim receivable	10.2	89,222,131	41,852,778
		844,974,753	476,801,818

10.1 Advances to staff

Loan to executive director of the company
Loan to executives and other staff

	-	-
	129,558,141	88,374,977
	129,558,141	88,374,977

10.2 Insurance claim receivable

Non performing loan cases
Fixed assets lost in fire
Cash in transit robbery
Others

10.2.1	81,664,543	30,613,462
	3,307,520	5,747,512
	75,000	1,200,000
	4,175,068	4,291,804
	89,222,131	41,852,778

10.2.1 The bank has signed an MOU with The United Insurance Company of Pakistan (UIC), (a related party) dated July 15, 2014. According to the MOU, the Bank will assign/notify the stuck-up loans in the category of doubtful/loss classified as per Prudential Regulations and UIC will arrange/facilitate recovery full/partial through monitoring/transport facility till final claim settlement. The receivable against non-performing loans showed the overdue installments of defaulted borrowers charged to UIC.

11 DEPOSITS AND OTHER ACCOUNTS

	30 June 2016		31 December 2015	
	Number	Rupees	Number	Rupees
	(Un-audited)		(Audited)	
Fixed deposits	12,642	3,648,407,100	5,521	2,109,586,605
Saving deposits	18,168	3,482,905,879	12,014	1,361,731,612
Current deposits	102,756	3,289,275,666	58,760	1,075,378,862
	133,566	10,420,588,645	76,295	4,546,697,079

11.1 Particulars of deposits by ownership

	30 June 2016		31 December 2015	
	Number	Rupees	Number	Rupees
	(Un-audited)		(Audited)	
Individual depositors	133,280	9,902,118,967	76,144	4,411,507,083
Institutional depositors				
- Corporation / firm	283	518,431,988	147	135,153,197
- Banks and financial institutions	3	37,690	4	36,799
	133,566	10,420,588,645	76,295	4,546,697,079

12. Borrowings

The Bank has obtained a running finance facility of Rs. 190 million to ensure that sufficient funds are available in the current account with State Bank of Pakistan (SBP) to honor clearing obligations in case the funds in current account with SBP fall short. The loan carries interest rate of 1% over and above rate offered for time deposits receipts (TDR) per annum with a tenor of one year on renewal mode from November 20, 2015. These borrowings are secured against lien over time deposit receipt of Rs. 200 million in the name of Apna Microfinance Bank Limited. However no utilization of the facility has been made.



13. SHARE CAPITAL	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
13.1 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
	<u>250,000,000</u>	<u>250,000,000</u>	<u>2,500,000,000</u>	<u>2,500,000,000</u>

13.2 Issued, subscribed and paid-up capital	----- No. of shares -----		----- Rupees -----	
	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
Ordinary shares of Rupees 10 each				
fully paid in cash	220,000,000	220,000,000	2,200,000,000	2,200,000,000
Discount on issue of shares	-	-	(950,000,000)	(950,000,000)
	<u>220,000,000</u>	<u>220,000,000</u>	<u>1,250,000,000</u>	<u>1,250,000,000</u>

14. DEFERRED GRANTS	Note	30 June	31 December
		2016	2015
		----- Rupees -----	
		(Un-audited)	(Audited)
Institutional Strengthening Fund (ISF)	14.1	3,681,992	5,553,328
Financial Innovation Challenge Fund (FICF)	14.2	18,313,389	19,405,965
		<u>21,995,381</u>	<u>24,959,293</u>

14.1 During the preceding years, the SBP approved a grant of Rs.36,078,051/- for meeting the project cost to be incurred by the Bank to support its institutional capacity building under the project "Strengthening the Institution via a Business Capacity Building, IT infrastructural Improvement and Human Capital Development" with 25% contribution by the bank. The Bank has recognized the grant against the assets and expenses as prescribed, thereby meeting the conditions attached to the grant. Amortization of the grant is being made on a systematic basis over the remaining useful life of related assets.

14.2 During the preceding years, the SBP approved a grant of Rs.34,000,000/- under the Financial Inclusion Programme (FIP). The main purpose of the FIP is the provision of improved access of financial services for poor and marginalized groups and for micro, small and medium-enterprises in Pakistan with the help of two partners. The Bank has recognized the grant against assets and expenses as prescribed, thereby meeting the conditions attached to the grant. Amortization of the grant is being for the expenses incurred and on a systematic basis over the remaining useful life of related assets.

15. CASH AND CASH EQUIVALENTS	30 June	30 June
	2016	2015
	----- Rupees -----	
	(Un-audited)	(Audited)
Cash and balances with SBP and NBP	1,102,933,396	126,957,381
Balances with other banks/NBFIs/MFBs	2,286,710,879	1,360,491,503
	<u>3,389,644,275</u>	<u>1,487,448,884</u>

16 MEMORANDUM/OFF BALANCE SHEET ITEMS

No guarantee has been renewed/issued during the Period ended 30th June, 2016.

There were no other contingencies and commitments as at 30th June, 2016 (31st December, 2015: Nil)

17. MARK-UP/RETURN/INTEREST EARNED

	Half year ended		Quarter ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	----- Rupees -----		----- Rupees -----	
	(Un-audited)		(Un-audited)	
Mark-up on loans and advances	550,930,633	124,461,533	338,088,658	71,310,328
Mark-up on investments in government securities	2,837,126	9,790,832	1,426,315	5,402,036
Mark-up on deposit accounts	41,311,445	29,013,999	19,452,238	16,197,110
	<u>595,079,204</u>	<u>163,266,364</u>	<u>358,967,211</u>	<u>92,909,474</u>

18. TAXATION

18.1 Current Tax

The Bank has carried forward tax losses of Rs.65,161,929/- (December 2015: Rs.83,566,268) 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 Rs.6,903,846/- (December 2015: Rs.4,869,307/-) has been made.

18.2 Deferred tax

The management is expecting future taxable profits and has recognized deferred tax asset amounting to Rs. 65.162 million on the basis of financial projections indicating utilization of deferred tax asset against those future taxable profits. The financial projections involve certain key assumptions such as deposit composition, interest rates, decrease in cost of deposits and operational costs, growth of deposits and advances, investment returns and potential recoveries against non-performing loans. Any significant change in the key assumptions may have an effect on the utilization of the deferred tax asset.

19. 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 -----			
Half year ended 30 June 2016 (Un-audited)				
Total income	2,837,126	134,635,389	622,968,243	760,440,758
Total expenses	-	(361,856,740)	(346,899,191)	(708,755,931)
Net income/(loss)	2,837,126	(227,221,351)	276,069,052	51,684,827
Segment asset(gross)	498,518,658	3,389,644,275	7,808,962,024	11,697,124,957
Segment non performing loans	-	-	26,419,721	26,419,721
Segment provision required	-	-	59,806,854	59,806,854
Segment liabilities	-	10,420,588,645	173,400,200	10,593,988,845
Half year ended 30 June 2015 (Un-audited)				
Total income	9,790,832	50,212,053	126,671,598	186,674,483
Total expenses	-	(105,647,927)	(117,880,118)	(223,528,045)
Net income/(loss)	9,790,832	(55,435,874)	8,791,480	(36,853,562)
Year ended 31 December 2015 (Audited)				
Segment assets(gross)	53,529,374	1,996,519,461	3,620,429,985	5,670,478,820
Segment non - performing loans	-	-	119,238,155	119,238,155
Segment provision required	-	-	65,993,308	65,993,308
Segment liabilities	-	4,582,969,786	32,486,094	4,615,455,880



20 TRANSACTION WITH RELATED PARTIES

Related parties of the Bank comprise group companies, staff retirement benefits fund, key management personnel and major shareholders of the bank. The details of transactions and balances with related parties other than those disclosed elsewhere in this condensed interim financial information is as under:

	30 June 2016 (Un-audited) Rupees	31 December 2015 (Audited) Rupees
Balances at period/year end:		
Associate :		
Deposits	36,919	5,775,402
Key management personnel:		
Deposits	2,539,325	6,337,559
From directors/ sponsors:		
Deposits	10,590,961	595,074
	30 June 2016 (Un-audited) Rupees	30 June 2015 (Un-audited) Rupees
Transactions during the period:		
Associated company:		
Deposits received	94,820,014	237,612,940
Withdrawals	100,558,497	237,525,478
Insurance premium	5,565,007	684,961
Other related parties:		
Contribution to Staff Provident Fund	1,355,205	525,760
Key management personnel:		
Deposits		
Deposits received	10,871,060	28,079,854
Withdrawals	9,988,298	26,875,020
Mark-up on deposits paid	159,086	266,519
From directors/sponsors:		
Deposits received	32,093,860	312,344,254
Share deposit money received	-	338,513,710
Share deposit money repaid	-	338,513,710
Withdrawals	22,990,058	105,347,900
Mark-up paid on deposits	892,086	1,555,411

21. DATE OF AUTHORIZATION FOR ISSUE

This condensed financial information was approved and authorised for issue by the Board of Directors on 19th August, 2016.

22. GENERAL

22.1 No significant reclassification/rearrangement of the corresponding figures has been made.

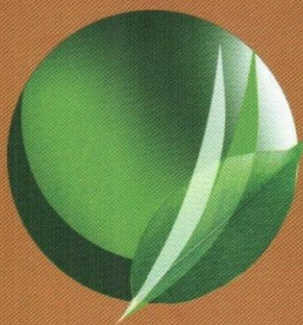
22.2 Figures have been rounded off to the nearest rupee unless otherwise stated.

President/Chief Executive Officer

Chairman

Director

Director



AMBL

خوابوں سے خوشحالی تک

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