ANNUAL REPORT
2021-22

JWS PAKISTAN
NON BANKING MICRO FINANCE COMPANY



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NON BANKING MICROFIANCE COMPANY

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ACRONYMS

ABL	Allied Bank Limited
AML	Anti-Money Laundering
AL	Agriculture Loan
AM	Area Manager
AO	Area Office
ASR	Annual Staff Retreat
BOD	Board of Directors
CG	Credit Group
CB	Capacity Building
CFT	Countering Financing on Terrorism
CRM	Compliance & Risk Management
GNF	Gujranwala NGO Forum
ESMS	Environmental & social management system
ESRM	Environmental & social risk management
HBL	Habib Bank Limited
HO	Head Office
HR	Human Resource
JWS	Jinnah Welfare Society
JWSP	JWS Pakistan
MC	Micro Credit
MF	Micro Finance
MFI	Micro Finance Institution
MIS	Management Information System
NBFC	Non-banking finance company
OLP	Outstanding Loan Portfolio
OTW	Orientation Training Workshop
PCP	Pakistan Centre for Philanthropy
PMER	Planning, monitoring, evaluation and research
PMFN	Punjab Microfinance Network
PMIC	Pakistan Microfinance investment company
PMN	Pakistan Microfinance Network
PNCC	Punjab NGO Coordination Council
PPAF	Pakistan Poverty Alleviation Fund
RMGM	Risk Management Graduation Model
SBI	Shore Bank International
SF	Sundas Foundation
SECP	Securities and exchange commission of Pakistan
SME	Small and Medium Enterprises



EDITORIAL BOARD



Qazi Shoaib Alam
Chief Executive Officer



Mr. Muhammad Jamil Anjum
General Manager Finance & Accounts



Ms. Warda Iqbal Chaudhary
General Manager HR



Mr. Imran Dhillon
General Manager Operations

AUTHOR



Syed Khurram Hussain
Manager Compliance & Risk



JWS PAKISTAN
ANNUAL REPORT 2021-22

This report offers insight into JWS Pakistan's guiding philosophy, Vision, Mission and Socio-Economic achievements during the year 2021-22 as well as prior achievements. Company is committed to further improve its service standards to better serve poor and marginalized segments of our society.



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ALWAYS DELIVER MORE THAN EXPECTED



JWS Pakistan

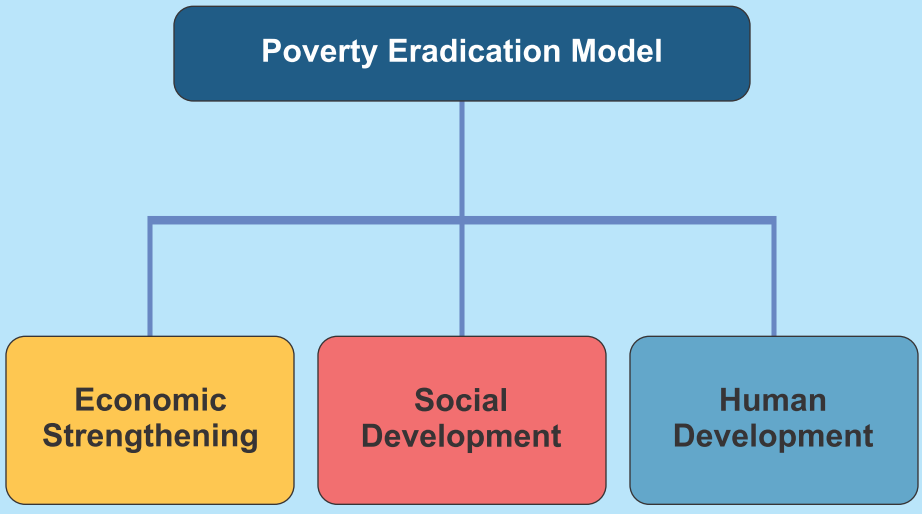
JWS Pakistan is a non-banking micro finance company offering services under the regulatory umbrella of Securities and Exchange Commission of Pakistan (SECP). Company is striving to serve the relegated segment of the society since inception. Over the period of time the company has experienced exponential growth in terms of its outreach as well as client base. By the end of June 30, 2022, JWS Pakistan had presence in twenty two(22) districts of Punjab province with one hundred and ten (110) operational branches serving 138,264 clients.

“All of these achievements have been made possible by our approach of client first, we are very sensitive towards this philosophy that we are here to serve the clients in best possible manner and this can only be achieved when we place client's needs and requirements at the top of the pyramid. Making a difference, at JWSP,we have earned a reputation for helping our clients to transform their lives by strengthening the sources of their livelihoods. The financing services we provide are critical in keeping the access to finance possible for marginalized segment of society in testing times.” [1]

JWSP offers innovative and demand driven financial services as per the business needs of clients. Financial services are bundled with trainings and orientations in several trades preferred by the women workers for entrepreneurial activities. These financing and training services are augmented with complimentary borrower's life insurance, health insurance and exposure visits free of cost. These credit plus services have proved to be very effective in enhancing the efficiency and efficacy of loans at the grassroots level.

[1] QAZI SHOAIB ALAM FAROOQI, CEO JWSP

In addition to being sensitive towards clients, the internal policy of JWS Pakistan is also very supportive for staff members. Excellent remuneration packages, provident fund, gratuity, annual bonuses coupled with health and life insurance of staff and their dependents make JWS Pakistan an employer of choice. Furthermore, the policy of promoting internal staff has further created a new dimension of staff loyalty that helps the company in performing better in any challenging situation.



Our business processes are governed by several codes of conducts including but not limited to client protection, avoiding over indebtedness, ensuring productive use of loan, social safety nets and concern for the environment are the basic ingredients of our growth strategies.



These ethical checks ensure that the financial interventions are geared towards bringing positive economic development at the grassroots level. Despite of these extra carefulness for the social & environmental causes, company has undergone an impressive growth trajectory and plans to even enhance its sensitivity level for the people and planet.








HRD CENTER
JWS PAKISTAN





Vision

“SUSTAINABLE ECONOMIC DEVELOPMENT AND SOCIAL EMPOWERMENT FOR ALL”

Mission

“FINANCIAL STRENGTHENING AND SOCIAL UPLIFT OF MARGINALIZED SEGMENTS OF SOCIETY, THROUGH AN INTEGRATED APPROACH THEREBY PROVIDING FINANCIAL SERVICES, CAPACITY BUILDING AND DEVELOPING MARKET LINKAGES FOR THEM TO SUSTAIN THEIR BUSINESSES AND TO IMPROVE THEIR LIVING STANDARDS”



Core Values

Customer Focused: Since customers are considered important stakeholders, JWS Pakistan's products and processes are designed keeping customer needs and realities in mind. JWSP strives to serve customer needs in an effective and efficient manner.

Innovation: JWSP strives to maintain a creative culture in the company, where employees are encouraged to learn and innovate in their day to day work, while adhering to company's standards operating procedures (SOP's). Also, product, process and business model innovation are integral part of JWSP's work life.

Triple Bottom-line: The Company has always strived to be financially stable, socially responsive and environment friendly. Investing in people and planet are considered as our long term investment and the benefits are believed to be reaped by the generations to come.

Over indebtedness: JWS Pakistan ensures that the communities it works with are never trapped in over indebtedness even if it costs the company to do so.

Balanced Social & Work Life: Taking a proactive stand to create and maintain a healthy work-life balance for workers. Very few institutions have this in their values list and we are proud of practicing it as our core value.

Integrity: Led by exemplary governance, JWSP maintains high integrity in its delivery of products and services. Company has zero tolerance towards unethical practices. It strives to behave with honesty and integrity in all its internal and external communication and dealings with all stakeholders.

Employee Engagement: JWS Pakistan treats its employees as a major stakeholder and hence its processes and systems are designed to ensure employee satisfaction, development and high morale.

Transparency: JWSP's products, services and processes are very transparent. It is ensured that the communication towards the clients is clear, sufficient, timely and in a manner and language clients can understand easily.

Corporate **Information**

Board of Directors
Ms. Sabiha Shaheen
Chairperson
Qazi Shoaib Alam Farooqi
Chief Executive Officer
Ms. Roheena Iqbal
Independent Director
Mr. Muhammad Saqib Abbas
Independent Director
Dr. Naveed Iqbal
Independent Director
Mr. Farrukh Iqbal
Non Executive Director
Mr. Muhammad Shahid
Non Executive Director
Ms. Farzana Kousar
Non Executive Director

Board HR Committee
Ms. Roheena Iqbal
Chair
Mr. Muhammad Shahid
Member
Ms. Farzana Kousar
Member
Ms. Warda Iqbal
GM HR & HID

Board Audit Committee
Dr. Naveed Iqbal
Chair
Mr. Farrukh Iqbal
Member
Mr. Saqib Abbas
Member
Mr. Nazir
Manager IAh

Disposal Committee
Mr. Muhammad Jamil Anjum
GM Finance & Accounts
Ms. Warda Iqbal
GM HR & HID
Mr. Waleed Raza
Asst. Manager Admin

Procurement Committee
Qazi Shoaib Alam
Chief Executive Officer
Ms. Warda Iqbal
GM HR & HID
Mr. Imran Dhillon
GM Operations
Mr. Javed
Manager F & A

Grievance Committee
Ms. Sabiha Shaheen
Chair
Mr. Imran Dhillon
GM Operations
Mr. Khuram Hussain
Manager CRM
Ms. Saher Naseem
Receptionist

Risk & Compliance Committee
Mr. Muhammad Saqib Abbas
Chairperson
Mr. Farrukh Iqbal
Member
Ms. Farzana Kausar
Member
Mr. Khurram Hussain
Manager CRM



Legal Advisors

Azam Chaudhry
Law Associates (ACLA)
Address: H # 5, Street No.9, Sector F-8/3
Islamabad, Pakistan
Tel: + 92 51 2253351, 2253354, 2250657

Dr. Muhammad Azam Chaudhry
Senior Partner

Barrister Muhammad Qasim Qureshi
Partner

Raham Ali Bukhari
Barrister

Tax Advisor

Mohsin & Co. Chartered Accountants
Mohsin Nasrullah- FCA, House # 105C,
GOR-5 HBFC, Faisal Town
Lahore - Pakistan.
Tel: 042-35160091

Auditors

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Chartered Accountants
Address: Office 72 -A, Faisal Town, Lahore
54770, Pakistan
Telephone: + 92-42-35160430-32
Fax: + 92-42-35160433

GEOGRAPHICAL OUTREACH

DISTRICT WISE PRESENCE

- CHINIOT
- FAISALABAD
- GUJRANWALA
- GUJRAT
- HAFIZABAD
- JHANG
- KASUR
- KHANEWAL
- KHUSHAB
- LAHORE
- MANDI BAHUDIN
- MULTAN
- NANNKANA SAHIB
- NAROWAL
- OKARA
- PAKPATTAN
- SAHIWAL
- SARGODHA
- SHEIKHUPURA
- SIALKOT
- TOBA TEK SINGH
- VEHARI

POTENTIAL DISTRICT

- JEHLUM
- RAWALPINDI
- BAHAWALPUR



STAFF DEMOGRAPHIC

- GUJRANWALA
- HAFIZ ABAD
- GUJRAT
- SIALKOT
- SHEIKHUPURA
- FAISALABAD
- LAHORE
- MULTAN
- OKARA
- NAROWAL
- SARGODHA
- JHANG
- KASUR
- MANDIBHAUDDIN
- CHITRAL
- MARDAN
- HARIPUR
- CHINIOT
- BAGH
- KAHOTA
- BAHAWALNAGAR
- MIRPUR
- NANKANA SAHIB
- KOTLI
- SAHIWAL
- PAKPATTAN
- KHANEWAL
- TOBA TEK SINGH
- MUZAFFARABAD

WE ARE NOT A

TEAM

BECAUSE WE

WORK TOGETHER

WE ARE

A TEAM BECAUSE

WE RESPECT

TRUST AND CARE

FOR EACH OTHER





Meet the Navigators, The Board!

"Heterogeneous Board of Directors with independent thinking enforce governance, diversity and strengthen creativity"
Pearl Zhu



"JWSP is one of the very few institutions that are torch bearers of their mission and institutional values across the board. "

Sabiha Shaheen:
Mission Drift, not a case at JWSP.

Ms. Sabiha Shaheen is the chairperson of the JWS Pakistan and has been serving at the board since 2007. Her vision and passion has helped the company in moving forward despite of the challenges and turbulences in the eco system.

Professionally she is a development expert having vast experience of women empowerment and gender mainstreaming at the grass root level. She has represented Pakistan in several regional and international consultations and is also credited for advocacy campaigns to design and implement national youth policy in the country. Her youth and women development skills have brought great values to JWS Pakistan as well in designing the socio economic development protocols.



I have never allowed the tactical problems of the day to hijack my agenda and have focused my attention towards more strategic challenges and opportunities.

Qazi Shoaib Alam:
Taking JWSP forward

Qazi Shoaib Alam is the founding member of JWS Pakistan and has led the company through every thin and thick. Under his leadership, company has grown from a small-scale village-based organization to a well-established non-Banking Microfinance Company working across the Punjab province. Under his leadership, entire team of JWS Pakistan is transforming every aspect of the services and business processes to be environmentally sensitive, socially responsive and financially viable.

He has played a central role in directing financing towards several social initiatives including food support program for the poor and needy families in the entire operational area of the company, donation for blood bags, ambulance service and setting up routine medical camps.

In addition, he is also very active and providing all the facilities at his disposal for the technical uplift of the social organizations working in the area. This in turn has ensured the sustainability of many social initiatives at the grass root level.



ROHEENA IQBAL
Independent Director

Ms. Roheena Iqbal is a renowned sociologist and has a thorough understanding of social and gender issues in the society. She has Master degree in Sociology and M.Sc in Gender & Women Studies. She is working as an Assistant Director Tehsil Sargodha with Benazir Income Support Program (BISP) since January 2011. Prior to this position, she worked as a Project Coordinator and then Program Manager with AGAHE.

She also has experience of working as a Social Organizer with National Volunteer Movement. She had an exposure visit to Bangladesh to observe their water and sanitation management systems by Abt Associates.



SAQIB ABBAS
Independent Director

Mr. Saqib Abbas is a chartered accountant by profession and currently working as Chief Financial Officer in Descon Oxychem Limited. His Major responsibilities include Financial Management, Budgeting & planning, Liaison with the Banks, Auditors & Rating agencies, ensuring compliance with regulatory framework and Heading local and international procurement.

He has different exposure in Audit, Compliance and Advisory. His expertise in financial reporting and system development have been central in further improving financial and operational transparency at JWS Pakistan.



DR. NAVEED IQBAL
Independent Director

Dr. Naveed Iqbal have been working as In-charge & Associate Professor at the Department of Business Administration, University of the Punjab Gujranwala Campus since January 2014. Prior to joining Punjab University, he was been working as a Lecturer in Financial Accounting at the Lord Ashcroft International Business School, Anglia Ruskin University Cambridge, UK. He did PhD in Accounting from the University of Bedfordshire, UK.

He is a member of European Accounting Association (EAA), British Accounting and Finance Association (BAFA) and Higher Education Academy (HEA) UK. He is also working as approved HEC supervisor in the area of Management Science.

"JWSP has evolved its MIS system into a mini ERP system providing an efficient and effective data centric environment."
Dr. Naveed Iqbal, IT system evolution



FARRUKH IQBAL
Non-Executive Director

Mr. Farrukh has more than 37 years of experience in banking sector. He has worked on managerial positions with several financial institutions. His areas of expertise include financial operations, internal controls and strategic plans development. He is now an active board member of JWS Pakistan and playing important role in providing strategic guidelines to the institution.



MUHAMMAD SHAHID
Non-Executive Director

Mr. Shahid is an educationist by profession and has been running private institutions successfully. As member board of JWS Pakistan, he has introduced new aspects of social development in the financial services. He is also credited with developing outlines of training and institutional development activities.

"HRD center at JWSP is doing a remarkable job in delivering job specific contents in a very conducive environment"

Muhammad Shahid: Staff Capacity building facilities at JWS Pakistan.



FARZANA KAUSAR
Non-Executive Director

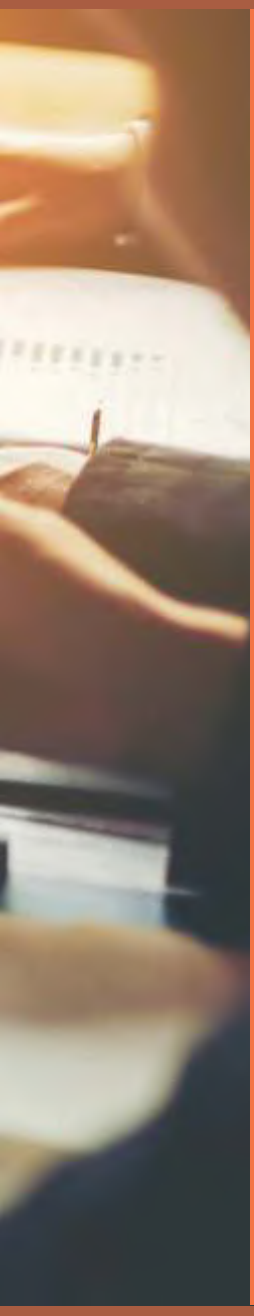
Farzana Kousar is a talented professional carrying more than15 years of National & International experience in relationship management, administration, customer services, marketing, commercial & corporate banking. She is a motivated manager with an extensive career in financial services and a track record of driving sales and boosting company morale. She has won multiple best performance awards including international conventions in Indonesia, Thailand, Netherlands and Italy.



MUHAMMAD JAVED
Company Secretary

Mr. Javed is working as Manager Finance & Accounts and also serves at the board as Company Secretary. He is a graduate of Haley College of Commerce with thorough understanding of finance and accounting standards. He is also a certified director under code of corporate governance 2017 of SECP by ICMA Pakistan.





Senior Management



MR. JAMIL ANJUM
GM Finance & Accounts



MS. WARDA IQBAL
GM HR & HID



MR. IMRAN DHILLON
GM Operations



MR. TAHIR HUSSAIN
Manager HR



MR. M. JAVED
Manager Finance & Accounts



MR. ISLAM GUL
Manager IT



MR. NAZIR AHMED
Manager Internal Audit



MR. KHURRAM HUSSAIN
Manager CRM



MR. NAUMAN MAQSOOD
Manager Operations

Mr. Jamil Anjum
GM Finance & Accounts

"Mr. Jamil Anjum has always been a trust worthy colleague and one of the founding members of the company. He has led F&A department in a very professional manner".

CEO Mr. Shoaib Alam Farooqi

Mr. Jamil Anjum is a seasoned professional having over 20 years of experience in the domain of Finance and Accounts. During his entire professional life, he has always strived for the excellence and transparency of operations. He is also one of the founding members of JWS Pakistan and has been central in developing and implementing IAS & IFRS standards across the company.

His active role in the company has helped in achieving new standards of good governance, institutional reforms and automation of several processes. Finance & Accounts Department is also tasked with managing the liquidity of the company and has very successfully managed it in every turbulent situation.

Ms. Warda Iqbal
GM HR & HID

"Ms. Warda Iqbal is a seasoned HR Practitioner. She has played a great role in hiring and maintaining a team of professionals for the company".

CEO Mr. Shoaib Alam Farooqi

Ms. Warda has over twelve years of Human resource management and development experience. Over the period of time she has employed the strategic approach of effectively and efficiently managing staff to ensure that JWS Pakistan gains a competitive advantage.

In addition to managing and enhancing competitive advantage of the company, department under her visionary leadership has laid out career paths for various cadres to meet the employee satisfaction as well. She has been a key activist of ensuring excellent rewards, internal promotion and incentive packages for the staff members. Department under her supervision is striving to enhance the competitive edge of the workforce and enabling the company to be the employer of choice in the micro finance industry.

Mr. Imran Dhillon
GM Operations

Mr Imran is a well known micro finance practitioner in the industry. He has been part of the JWS Pakistan team since 2003. Since assuming role as head of operations, he has helped company is expanding to the depths and widths of the Punjab province. Operations team under his leadership has performed exceptionally well in every crisis situation.

Mr. Imran Dhillon is graduate of the Punjab University and has great training and capacity building skills as well. He plays a central role in internal staff training and capacity building exercise conducted throughout the year.

Mr. Tahir Hussain
Manager HR

Mr. Tahir Hussain Shah has vast experience of HR recruitment specifically in the micro finance sector. Over the past he has played an excellent role in recruiting and retaining large portfolio of employees with above industry retention rate.

Mr. M. Javed
Manager Finance & Accounts

Mr. Javed is working as Manager Accounts & Finance as well as Company Secretary. In coordination with the GM Finance & Accounts, he has been central in implementing IAS & IFRS standards across the company and enhancing transparency of financial transactions across the board. He is a post graduate of Haley College of Commerce with thorough understanding of finance and accounting standards. He is also a certified director under code of corporate governance 2017 of SECP by ICMA Pakistan.

Mr. Islam Gul
Manager IT

Mr. Islam Gul is the founding member of MIS system being used companywide. Since inception, he has been central in enhancing the MIS system of the company in a modular fashion. This modular approach has proved very useful as number of new modules have been developed and integrated with the parent MIS making it a mini enterprise resource planning system.

Mr. Nazir Ahmed
Manager Internal Audit

Mr. Nazir is a senior audit expert with exposure of large number of well reputed organizations in Pakistan. After joining JWS Pakistan, he has helped in further strengthening the internal control systems based on the audit investigations.

Mr. Khurram Hussain
Manager CRM

Mr. Khurram Hussain is heading the department of compliance and risk at JWS Pakistan. During a short period of time, he has created a talented pool of compliance and risk officers deployed at area levels to meet the challenging task of managing risks and improving compliance. Department uses various key performance indicators to assess the level of risk and compliance in a quantified manner. Prior to joining JWS Pakistan, Mr. Khurram has managed advisory assignments of Asian Development Bank, World Bank and USAID in the domains of economic development, financial inclusion and institutional reforms.

Mr. Nauman Maqsood
Manager Operations

Mr. Nauman Maqsood has been with JWS Pakistan since 2006 and holds Master's degree in Business Administration. He has vast experience in the field of operations and started his career from the very grass root level and performed on various positions. He has wide-range knowledge and expertise in Micro finance sector. Mr. Nauman played a key role in implementing business growth plan and in the management of the operations department.

Chairperson's Message

Dear Well-wishers,

We are all living in an ecosystem where the macro environment and the stability of the system has a direct toll on the end consumers in multiples ways. Owing to the unique socio-economic challenges being faced by our beloved homeland, the economy took a dive to register a year end growth of around 2.2% with ever increasing inflation and weakening strength of the currency.

According to the latest World Bank report on Pakistan titling inflation and the poor, the slower growth will reflect damages and disruptions caused by catastrophic floods, a tight monetary stance, high inflation, and a less conducive global environment. Poverty in the hardest-hit regions will likely worsen in the context of the recent flooding. Preliminary estimates suggest that – without decisive relief and recovery efforts to help the poor – the national poverty rate may increase by 2.5 to 4 percentage points, pushing between 5.8 and 9 million people into poverty. Macroeconomic risks also remain high as Pakistan faces challenges associated with a large current account deficit, high public debt, and lower demand from its traditional export markets amid subdued global growth.

With this challenging and damaging economic outlook, the survival of the already marginalized segment of society becomes even harder. That very segment is the actual client of the micro finance companies like JWS Pakistan. As a grass root player and provider of critical financial services to the poor, the role of micro finance is becoming more and more important every day.

With this importance and urgency in mind, the management at JWS Pakistan strives to reach out the micro finance clients who are using the availed loans to enhance and sustain their small-scale micro enterprises. In doing so, the economic moat of the area is kept in mind to ensure the sustainability of the businesses is not a question. The statistics below highlight that the diversification of financing at geographical as well as sectoral level is being seriously planned and executed, i.e. Services sector 2 Billion PKR, Manufacturing & light engineering 233 Million PKR, Livestock & Poultry 978 million PKR, Handicraft and trading 2.4 Billion PKR, Commerce and trading 1.6 Billion PKR and Agriculture 279 Million PKR.

This profile of JWSP highlights that the company is doing every effort on its disposal to reach out and meet their financing needs in a rational manner. I acknowledge that this takes a great deal of skills to meet the social goals while keeping your ship on course and avoid undue risks and this has been beautifully achieved by JWSP team.

In the end I would like to congratulate all the team and senior management on closing another successful year in the history of JWS Pakistan. I would also like to extend JWS Pakistan's gratitude to all the supporters, donors and friends of the company without whose support, JWS Pakistan's outcomes and performance would not have been possible.

Kind Regards,

Sabiha Shaheen



CEO's Message

Dear Friends,

We at JWS Pakistan are striving to make a difference through every piece of service that is being provided from the company platform. This caring nature isn't the result of an overnight overhaul, rather years of continuous feeding into the business processes at every level of the service delivery system. At the highest level, these are always my feedbacks while designing a new services or product;

“Client First, we are very sensitive towards this philosophy that we are here to serve the clients in best possible manner and this can only be achieved when we place client's needs and requirements at the top of the pyramid. Making a difference, at JWSP, we have earned a reputation for helping our clients to transform their lives by strengthening the sources of their livelihoods. The financing services we provide are critical in keeping the access to finance possible for marginalized segment of society in testing times.”

Philosophies and institutional culture bearing becomes hard to uphold in testing times like we are passing through now. But, fortunately, we are blessed with dedicated and professional team of staff who are adept at keeping a balance between socio economic outlook while maintain exceptional financial performance. I am delighted to present you the overview of the year 2021-22 with a very positive outlook.

JWSP financed 141, 257 clients providing 7.6 billion PKR at the grass root level. This financing was predominantly focused on women led enterprises and spread across range of sectors covering handicrafts, commerce & trading, livestock, light engineering, services and agriculture. This portfolio was achieved through a network of 110 branches spread across central, upper and southern Punjab region with a very minor risk towards portfolio. Along with the financial service, company continued its tradition of offering non-financial services in the form of community trainings and providing ration bags to 2,200 families from across the portfolio.

Despite of the worsening macro environment, we are doing our best to keep the finance line of the communities open and running. We are hopeful for a more progressive achievement during the next year as funding constraints ease up thus enabling us to further expand our coverage in the Punjab province.

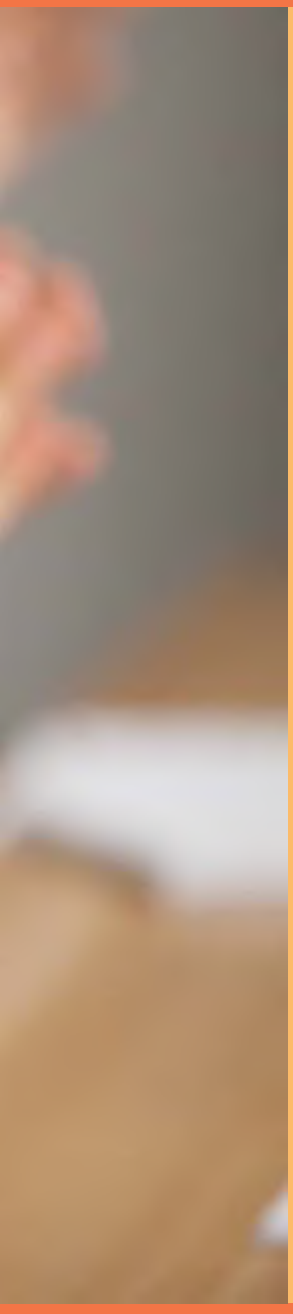
I would like to thank entire team of JWS Pakistan, board members, investor groups, auditors, service providers and community partners for helping us in writing another chapter of successful year.

Sincerely Yours,

Qazi Shoaib Alam Farooqi







ACKNOWLEDGING PERFORMANCES

Section checklist

- Departmental Limelight
- Bright Faces
- Star Performers

DEPARTMENTAL LIMELIGHT

HUMAN RESOURCE & INSTITUTIONAL DEVELOPMENT (HRID)

Department of Human Resource & Institutional Development (HRID) is one of the top performing departments at JWS Pakistan. Micro finance being a resource intensive industry heavily relies on the services of professionals working in a seamless chain of command. This important task of recruiting, training, placing and keeping the staff motivated is being performed by HRID department at JWS Pakistan.

This wing has performed well under pressing circumstances and has always fulfilled the responsibilities and expectations in an excellent manner. The department is the torchbearer of cultural values and mission of transforming lives of clients as well as providing a fair, equitable, and harassment-free workplace to its employees. Inclusion and diversity are key priorities for JWSP and the organization focuses on creating and upholding a distinctive culture which derives core values of integrity, responsibility, dignity, innovation, responsiveness, and sustainability.

Department has created a sense of cohesion and provided a beautiful and talented mix of workforce from across the Pakistan. This diversity serves as the foundation stone of JWSP's above industry performance in every challenging environment. The department is headed by a seasoned HR practitioner Ms. Warda Iqbal having years of hands on experience in this domain.

Company has recently inaugurated HRD center at the head office being managed by HRID department. The sole purpose of the center is to provide a training center equipped with latest teaching and learning equipment and a conducive environment, second to none.

The HRD center has started delivering trainings and capacity building sessions for the field force across the range of topics covering technical skills as well as personal grooming and leadership skills.





HUMAN RESOURCE ITN'T A THING WE DO, IT'S THE THING THAT RUNS OUR BUSINESS

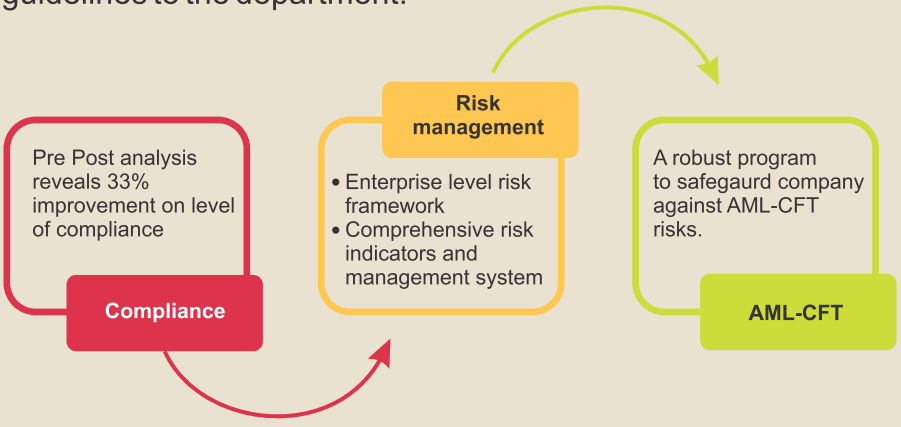
DEPARTMENTAL LIMELIGHT

COMPLIANCE & RISK MANAGEMENT

Department of compliance and risk is another success story at JWSP that has created a strong culture of risk management. Within a short period of time the department has laid down the foundations of compliance and risk regime as well as raised an experienced field force. Compliance & risk management department uses risk management graduation model (RMGM) to systematically assess, analyze and report various risks to the management. Department works with an integrated approach and has strategically placed its resources to pick up early signs of compliance negligence's and potential risks to take evasive actions proactively. Team members are deployed in all the operational areas of the company and efficiently work to safeguard against business, social and environmental risks.



In order to achieve the desired results of effectively managing risks across a wider theatre of operations and better compliance, the department has developed a robust top down approach. At the highest level, an enterprise level risk management framework captures the strategic risk in the short to medium term. Those risks are then analyzed to develop strategic, operational and tactical level responses keeping in view the risk appetite of the company. These plans are approved by the board level risk and compliance committee that provides strategic guidelines to the department.









Acknowledging Everyone!



MR. KHADIM HUSSAIN
FROM KITCHEN COOK TO ADMIN OFFICER

I belong to a distant village of Azad Jammu & Kashmir region and was looking for a job in 2004. I was lucky enough to visit the JWSP head office and got a chance to work as a chef in the company. I served as chef for over 15 years in the company and management helped me in attending number of events and trainings session that polished my skills in cooking and overall kitchen management, health and hygiene related practices. All the guests and visitors used to love and admire the unique taste and texture of the food served at the company. During the working as a chef, I trained number of new staff members joining the catering wing and helped them grow their skills and pass on the legacy of cooking finest food.

Year 2020 was a turning point for my career as I was selected for promotion to be an administration officer at the head office. This was really rewarding for me both in terms of the financial benefits as well as my personal satisfaction of achieving something in my career. The new job title demands new skills ranging from procurement, support staff management, office security and several other tasks that I love to perform. Company and management has been very cooperative with me and helped me in every manner in construction of my own home and education of my children. Today my son is also working with JWSP in the operations department after completing his education.

Acknowledging Everyone!



MR. RAMZAN
A LOYAL WATCHMAN OF JWS PAKISTAN

Mr. Ramzan is another story of hardworking and vigilant staff member of JWS Pakistan working since 2006 as watchman. He is highly regarded by all the staff members for his commitment towards work and contended nature. He has worked extra hours to ensure that his children get best of the education and facilities for a better and brighter future. He has very positive remarks for the company for being able to serve the underserved communities in many ways specially the back to community initiative. Under this initiative, JWS reaches out to the poorest of the poor and provide them food packages in difficult times.

“I would like to appreciate all the management who have developed such a nice and caring culture of the company where all the employees feel ownership of the company. I would like to thank for acknowledging my efforts and providing excellent perks and benefits in terms of EOBI, Life insurance, provident fund and facility of employee loans”.



STAR PERFORMERS

Quality, an Institutional Policy

Star performers are highly appreciated and regarded at JWS Pakistan. The performance evaluation process is very transparent and carried out on technical parameters of both qualitative and quantitative nature. The finalists are again reviewed independently by the senior management to ensure un biasedness. This has given rise to a culture of respect and appreciation of work across the board. We are proud to present the comments and feelings of our top performers for the year 2022 and wish them all the best in their personal and professional lives.



Khurram Shehzad, Area Manager:
Mr. Khurram Shehzad is one of the most experienced area managers of JWS Pakistan having 17 years of experience in the micro finance domain. He has masters in political science and rich experience of working in diverse socio-economic conditions. “I would like to thank management for selecting me the best performing area manager for the year 2021-22. It's really encouraging for me.



Asad Raza, Area Manager:
Mr. Asad joined JWS Pakistan in 2010 as an internee officer at field level. This was his first job experience and he proved himself a talented and energetic team player. Soon after joining, he got chances to grow his professional career and currently he is one of the best performing area managers of the company. He is source of inspiration for many youngsters who have come to know about his success story.



Umer Draz,CRM Officer:
“My name is Umer Draz and started my career with JWS Pakistan on 09 Jan 2015 as a Finance officer and was promoted as a CRM Officer later on. The Compliance and Risk Management leadership has further polished my skills thanks for providing an excellent working environment. I feel proud to be part of this caring department and great company.



Abu Sufyan, CRM Officer:
“I Joined JWS PAKISTAN in July-2017 as a Finance & Admin Officer and promoted to CRM Officer in January-2019. The compliance and risk department has further polished my analytical and risk management skills. I feel proud to be part of this caring department and great company. Most noteworthy, I can never pay back what JWS PAKISTAN has done for me.”



Muhammad Usama, CRM Officer:
I joined JWS-P as a finance officer & promoted soon as Compliance & Risk Officer. I am humbled to be nominated as shining star/star performer of the organization. The thing which gave me enthusiasm & firm determination to do my best for JWS Pakistan is its internal promotion mechanism. Further CRM Department polished my risk management skills to do best for company. I am very proud to be part of such a great company.



Rahab Ali, Branch Manager:

“I am Rahib Ali and I joined JWSP almost five years ago.My mentors and seniors extended all of their help and guidance in helping me grow my career as one of the best performing branch manager of JWS Pakistan. I would like to say that JWSP provides excellent working environment for all the employees regardless of their backgrounds”.



Muhammad Yousaf, Branch Manager:

“I started my career at JWS Pakistan back in 2015 as credit officer. Various trainings, orientation sessions and on the job training model helped me to quickly learn the skills to be an effective branch manager. During the tenure of my service, I have served in many districts of the Punjab province and this has enhanced my exposure and polished my skills”.



Shoaib Ullah, Branch Manager:

“There are couple of things that I think are trademark of JWS Pakistan. The first being the matchless confidence, internal promotion and trust level on the employees coupled with Eid bonuses, Annual bonuses, gratuity, EOBI, Health & Life insurance plans. I have been tasked to work in difficult working conditions but I did my best in all the situations. I am grateful for my nomination as star performer of the year.”



Qasim Munir, Branch Manager:

“I feel proud in claiming that I am part of the JWSP family for the last four (4) years. Joined as an internee officer and got promoted to the BM cadre. Apart from the excellent working environment and support of the seniors, the culture to promote internal staff at senior positions is very encouraging and motivating factor”.



Waqas Amin, Branch Manager:

This was my first job experience and I feel lucky to have a chance of working with team of professionals. My trainings and on job mentorship were the key factors in quickly helping me to excel in my career. Furthermore, the provident fund and other facilities being provided by the company are not less than any government department”.



Babar Hussain, Branch Manager:
"It was a great news when I heard that I have been selected as star performer in the branch manager's cadre. I Joined JWSP almost 5 years ago and during this tenure I had the chance to not only serve in operations department but in the compliance and risk department as well. The CRM tenure helped me in boosting my quality of work and understanding of risk.



Muhammad Mazhar, Credit Officer:
"I Joined JWS Pakistan right after my intermediate and since then I have seen rewards, respect and acknowledgement at every stage of my career from an internee to a credit officer. I recommend JWSP to all the fresh graduates who wish to work in the financial services industry".



Nadia Rasheed, Credit Officer:
"Joined JWS Pakistan as an internee officer and really liked the gender sensitive environment of the company. The support and guidance extended by the seniors have been a key element in my success and I would like to highly regard company management who have built up such a conducive environment".



Zahid Iqbal, Credit Officer:
"I have been working with JWS Pakistan for the last three years as a credit officer. I have master's degree and I have great hopes to excel further in my career with JWS Pakistan".



Shahid Ali, Credit Officer:
"I feel proud in claiming that I am part of the JWSP family for the past few years. Joined as an internee officer and got promoted to the Credit Officer level. I would like to state that the company is offering one of the best financial and non-financial services to the communities".



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Liaqat Ali, Credit Officer:
"I feel delighted to be declared as one of the top performers among the credit officers. This has increased my passion and commitment to perform even better. Thank you JWS Pakistan."



Zeeshan Hameed, Credit Officer:
I Joined JWS Pakistan four (4) years ago and since then I have seen rewards, respect and acknowledgment at every stage of my career from an internee to a credit officer. I recommend JWSP to all the fresh graduates who wish to work in the financial services industry".



Muhammad Khurram Ehsan, Finance Officer:
"Joined JWS Pakistan as a finance officer after my B. Com in 2020. I would like to acknowledge that the company provided me best of the training and on job skill enhancement facilities to ensure that I have hands on expertise in the field of my work".



Imran Ali, Finance Officer:
Mr. Imran Ali is one of the most experienced finance officers currently working at JWSP. He is very energetic and loves to mentor and guide new staff members who join JWSP in the finance and accounts department".



Rafia Tariq, Finance Officer:
"I have been serving this company for the last two years as a Finance Officer. One of the many like factors of the company is the gender sensitive environment where female staff can easily perform their duties in a secure and conducive environment.



Asad Imtiaz, Finance Officer:
"I feel proud in claiming that I am a part of JWS Pakistan Family for the past three (3) years. Apart from the excellent working environment and support of the seniors. I believe that the reward package at JWS PAKISTAN is very unique and encouraging for the employees.


HRID CENTER

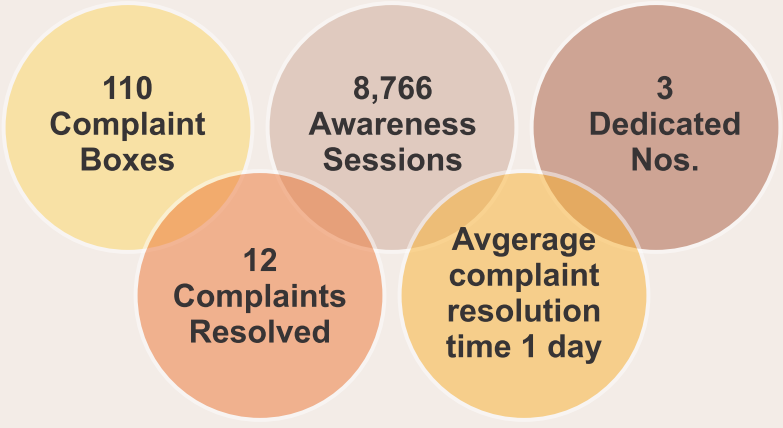






HANDLING GRIEVANCES

In order to listen and resolve the complaints of our valuable clients and employees, company has developed a robust system through which this customers and employees can reach out to the senior management and launch their complaints. Clients have access to the complaint boxes placed at every field office as well as dedicated contact numbers to register their issue at the head office.



CUSTOMER CARE HIGHLIGHTS

The complaints handling mechanism works efficiently while ensuring all the regulatory requirements. This consists of following key steps;



ACKNOWLEDGMENT OF THE COMPLAINT

Upon receiving complaint via SMS, Email, call or any source of communication, a unique complaint number is assigned to it and communicated to the client as well. In case the complaint is received after working hours, the acknowledgment is usually sent on the next working day. The acknowledgment briefly describes the resolution process, estimated time & contact detail for the follow-up. This process ensures that the client is at ease and knows that his/her complaint is being worked on seriously.

Interim Reply: In case the complaint requires a detailed investigation, an interim reply is generated and update is provided to the complainant within 5 days. Client is again assured that his/her complaint is alive and concerned departments are working on it.

Final Reply: A final reply is then shared with the complainant sharing the end result of the complaint investigation within the prescribed time and the actions taken. In case of denial of the complaint, clear reason is shared in light of the organizational policies. The whole process completes within 15 working days or within 30 working days if complaint requires detailed scrutiny.

Similarly, internal customers (staff) can also launch their complaint or blow a whistle if they come across any wrong practice. An online web portal enables them to blow the whistle without showing their identity if they want to do so.

Furthermore, around 8,766 community sessions were conducted during the year to educate our clients about their rights, obligations as well as method to launch their complaint during the loan tenure.

TESTIMONIALS

MS. IRAM MUSHTAQ

Complaint No. 86

Complaint was launched to get the guarantee cheque back from the office record prior to the last installment. “I am satisfied with the complaint mechanism. Same day the senior officer contacted me and resolved the issue”

Complainant from District Faisalabad
Complaint Received on: Jan 28, 2022
Complaint resolved on: Jan 28, 2022

MS. LUBNA BIBI

Complaint No. CM-87

She deposited three loan installments and closed her loan through an ADC agent and requested a copy of ledger through a complaint. She was provided official acknowledgement and her loan close record was updated the next day. “I feel satisfied at providing me my requested official record just on a call at complaint no on very next day”.

Complainant from District:Sheikhupura
Complaint Received on: Feb 03, 2022
Complaint resolved on: Feb 04, 2022

A business is simply an idea to make other people's lives better.

Richard Branson


95 %



BEING IMPACT ORIENTED

Indeed, the microfinance programs and institutions have become an important component of strategies to tackle poverty and empower disadvantaged communities at grass root level. However, the literary knowledge about the effectiveness of such programs remains only partial and contested. At one extreme are studies arguing that microfinance has very beneficial economic and social impacts (Holcombe, 1995; Hossain, 1988; Otero and Rhyne, 1994; Remenyi, 1991; Schuler, Hashemi and Riley, 1997). At the other end are few writers who caution against such optimism and point to the negative impacts that microfinance can have (Adams and von Pischke, 1992; Buckley, 1997; Montgomery, 1996; Rogaly, 1996; Wood and Shariff, 1997). JWSP as a development organization and with very strong linkages in communities believes that the realty falls in between the two extreme sides of the literary researchers. Extra money injections are no doubt the most effective tools to ensure communities come out of the poverty trap provided that money is used for productive purposes. However, the challenge is not to exaggerate the positive impacts and hide out the negative ones.

1.1. Demographic Details of Sample

Demographic details hold a very significant importance in the analysis. These details shed light on the socio-economic conditions of the beneficiary class and their profile highlights that how accurately sample was drawn from the overall population. A significant miss-match between the both highlights poorly conceived and planned sampling strategy. Keeping in view the importance, analysts developed a detailed sampling strategy to ensure participation of all the relevant strata. Key aspects of the socio-economic profile of the beneficiaries are presented below.

Fig-2 represents the educational background of the micro finance beneficiaries that almost 35% of the beneficiaries are illiterate. This falls very close the overall illiteracy rate of Punjab province i.e., 63%. The remaining respondents recorded various levels of formal education as highlighted in the fig. The positive aspect of the picture is that the program is targeting the actual niche i.e., poorest of the poor who are mostly illiterate.

Urban-Rural Split: Urban rural split of the responding beneficiaries is of vital importance as it sheds light on the key areas where the program is financing. Emerging stats provide an encouraging snapshot as around 65% of the respondents turned out to be from the village and rural areas of the country. Furthermore, the respondents were pre dominantly from the rural areas 69% lacking formal access to finance. The rest of the respondents were taken from semi urban and urban locations as per the overall client spread. (Fig-3)

Age Profiling: Splitting the age group of the beneficiaries in common groups of children and young adolescents (under 15 years old) the working-age population (15-64 years) and the elderly population (65 years and older) gives an interesting overview. Majority of the age group of the clients fall in the working age group. This also ratifies the successful compliance with operational policies of the company.

Economic Dependency Analysis: Average family size of the respondents stood at 6.1 members per family highlighting emerging trends of decentralized and independent small family system. Comparing the stats from the previous study where the average family size was recorded to be 6.33 persons. This gives an idea of overall trend of smaller families owing to the economic and social challenges being faced.

On the economic dependency front, majority of the beneficiaries are involved in small scale trading, handicrafts and livestock activities. This has also been observed that the trading activities in various districts do correlate with larger production units working in those area. Figure five (5) represents the key trending businesses being operated by the micro finance beneficiaries. Handicraft and trading are the two key segments that represent over 50% of the beneficiates. Both

business segments have strong local demand and wider economic moat that makes them an ideal small business for the poor and risk averse micro finance client base.

1.2. Economic Impact

The core anticipated impact of the micro finance program is assumed to be strengthening the economic situation of the beneficiary households. As per the analysis pre and post (with a gap of two years of consistent loaning and training) scenarios of the household enterprises were compared highlighting the growth as highlighted below.

Performance of existing businesses: Sample consisted of around 85% of small businesses who were running their activities prior to joining the JWSP loan program two years ago. Their responses highlighted 95% growth in their sales value after the tenure of two years with an average of 120,000/month. This highlights a steady growth in business revenues; however, this also has an inbuilt inflation effect that the country is going through currently. Sales were followed up by average monthly income that was raised from 23,841 to 45,819 PKR.

Another dimension of the economic well being may be attributed to the value of assets those clients have. Pre-post analysis on this dimension highlighted an average increase in value of household assets by.5 million in two years. Overall, the average value of assets amounted to PKR 4.2 million. Similarly, average monthly savings of the respondents also increased on monthly basis. This shows a very healthy trend in business turnovers as well as wealth accumulation/savings that is the way forward towards prosperity.

Performance of newly established businesses: On the other end, 15% sample consisted turned out to be the ones who started their economic ventures two years ago by availing loan from JWSP. This highlighted a very positive trend in the low-income communities of starting new small business at household levels. These businesses reported monthly sales of almost 56,196 per month while reported average income from businesses were 23,100.

The reported average monthly saving was 10,300 PKR whereas the reported average household value of assets is 2.2 million. This shows a clear difference of accumulated wealth with those families who are involved in business activities for more than two years.

During the baseline period, enterprises were employing on an average 1.2 person to manage the affairs of the business. During the intervention period of 2-3 years, the ratio has improved and now the informal enterprises are employing an average of two persons. Multiplying this positive trend with the scale of financing being

carried out by JWSP, it is evident that the organization has created thousands of jobs in the poor and uneducated labor force thus helping the poorest of the poor to manage their subsistence as well as helping them escape from the poverty trap.

Tactical enablers of Better Financial Conditions: To further assess the reason behind improved financial condition, it was specifically asked about the key tactical enablers that might have played their role. These included, expansion of business network, better financial management as well as improved production capacity of businesses.

The top reason emerged to be better access to finance and efficient management of funds for economic purposes. This is followed by expansion in the business network and the least role was played by the improved production capacity of respective businesses.

Impact of Training Programs: JWSP believes in providing not only access to finance but also the additional services of capacity building and business orientations to ensure the productive utilization of loan. Keeping in view the literacy level i.e. Fig-2, it becomes evident that how important the trainings and capacity building programs are to ensure smooth operations of micro finance component as well as in ensuring productive use of loan. Therefore, JWSP is running a very robust and practical training program for its microfinance clients.

Overall 10% respondents confirmed that they have directly attended the training programs arranged by JWSP at its regional offices mainly in the domains of stitching, beautician& general enterprise management. Despite of lacking formal education, the entrepreneurs were found to be very keen and very adaptive with new business management skills.

The trainings had direct impact on the businesses as evident from the Fig-9. Key improvement reported by the beneficiary's included quality of product, production quantity and business management in order of effectiveness. 7% reported no change in their business affairs.

A one very alarming trend was witnessed among the survey respondents that over 70% stated that they do not formally maintain record of their business transactions and rather prefer to just memorize it. The majority of the respondents among this group stated that they feel difficulty in keeping record and prefer to remember the transactions and also that they might start keeping record if someone tells them how to. Only 30% of the respondents claimed to have been maintaining the record of their business purchases and sales in written form of their own style and understanding level.

From the assessment of this angle of the entrepreneurs, it is evident that the beneficiaries direly need help in maintaining record of their businesses. This crucial gap has been identified and future waves of training programs shall be planned to address this gap.

1.3. Gauging Standard of Services:

Client satisfaction is of utmost importance at JWS Pakistan and all the business processes are designed keeping in view the satisfaction and need of the client in mind. The survey results reveal an overwhelming level 98.5% of satisfaction with the SOPs and services of the company. The remaining 1.5% highlighted few areas for further improvement of the program.

Paradigm Shift

Old study of JWSP revealed a rich source of other sources of funds that included relatives and friends in addition to MFIs. This pattern has drastically changed as all of other sources of funds have dried up due to economic hardships

Instead of staying content with the satisfaction level of the clients, respondents were further probed to provide feedback to even enhance the service level of the company. This proved to be very helpful and clients had experience of availing services from other MFIs as well. Towards raising the standards of services to new levels, following suggestions were recorded by the enumerators.

Top of the line suggestion was enhancing the loan size of various products, this when analyzed in view of the devaluing currency and reduced buying power makes sense. The 2nd in line falls to be enhancing the tenure of the loan followed up by need to have more training sessions.

Other sources of Finance: It's a global phenomenon that the financial choices and access gets easier with betterment in the economic conditions. This theory holds equally valid in the case of microfinance beneficiaries. When asked about the financial access in addition to availing loan from JWSP, respondents provided almost one other option and that too was other MFIs.

Furthermore, clients were asked that weather they shall continue availing loan from JWSP or not. The responses were very encouraging and almost 77% stated their willingness to sign up for the next tranche when the existing one closes. Clients responding with no were further asked about the reason and majority of them stated that their cash flows have streamlined now and they do not foresee the need of further loan

Modes of Savings: Savings are the most important indicator of financial wellbeing and without ensuring savings; the dream of poverty eradication cannot come true. Keeping this in mind, specific questions were asked about the habit of savings and it was encouraging to know that almost all of the clients were maintaining varying levels of savings as per their income generating capacity.

Furthermore, when asked about the modes of savings, majority of the clients used to keep their savings in the form of cash followed by committee system and bank deposit as highlighted in Fig-14.

It is evident from the snapshot that majority of the clients keep their savings in the informal ways that have the least productive potential in the national development as well as return on savings. There is a potential for micro finance banks and other commercial banks to come forward and design micro saving products to provide higher levels of financial services to the microfinance borrowers.

1.4. Impact on Standards of Living

Financial well being is closely linked with standards of living to a great extent. Several researchers have studied the phenomenon and found positive correlation between the two. Kirkpatrick et al (2002) Getting access to financial services help the poor to improve their income and other benefits such as health care and education etc. Empirical evidences are found from various papers such as Parker and Nagaragan (2000), Khandker and farooque, (2001), Pit and Khandker (2003), Quach et al (2003), Debadudda (2009), Paunda (2005) found that the beneficiaries of loan had increased their expenditures especially in health treatment and education.

Therefore, similar impact trend emerged from the data collected during the study as presented in Fig-15 &16. On an average, respondents recorded an increase in spending of almost 50% in health, education, food as well as on seasonal fruits. One may criticize on the assumption that the increased spending doesn't mean improvement in the quality of products but rather is due to the effect of the following two factors;

- Increase in prices (inflation)
- Increased spending due to improvement in socio economic profile
- The third contributing factor might be the increase in family size over the period of the time.

However, behind this visible change in the spending pattern of the targeted population towards health, education, food and seasonal fruits, there is strong role of inflation as well. Keeping in view the recent past of Covid impact, retarded economic growth and high inflation, the actual active ingredient seems to be the mix of both economic wellbeing as well as inflation led expenses.

From the above discussion and evidences, we might conclude that the increased level of spending on the key lifecycle needs are a sum of impacts from inflation, increase in family size and a choice of better quality products/services with quality of products being the prime contributor in increased spending.

This assumption is further proved to be true by the specific responses of the respondents in all the key areas including health, education, food and living standard of the houses. Pre and post scenarios highlighting customer satisfaction are summarized in Fig -17-20.

It is evident from the qualitative responses that considerable improvement has been witnessed by respondents. In all the four cases, pre-scenarios are dominated by the response as “fine” which has been dropped down and the remaining responses have recorded against improved situations like “better and best”. So, there is overall shift in the more satisfied columns in aggregate terms that specifies that various indicators pointing towards quality of life have been improved.

Furthermore, 44% respondents stated that they have carried out renovation of their homes after availing the loan for over two years. It is worth noting that the renovation was not carried out with the loan amount rather with the improved revenue streams from the household businesses.

1.5. Women Empowerment

Women empowerment and development has been a challenging task for the developing world and at the same time one of the key success factors for the socio-economic development of their population. Unfortunately, developments in Pakistan are not keeping the pace with rest of the world as highlighted in the recent report of Global gap index (GGI) published by the World Bank.

Pakistan’s Ranking on Gender GAP Index	Overall		Economic Participation		Educational Attainment		Health & Survival		Political Empowerment	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Pakistan out of 142 countries	**141**	**.552**	**141**	**.309**	**132**	**.805**	**119**	**.967**	**85**	**.127**

Overall rank of 141 out of 142 participating countries highlights the worst situation and our standing in the global village. Further breakup provides deeper insight into the key reform areas and our respective standing against each with economic empowerment requiring special attention focused by educational attainment, health survival and political empowerment.

Keeping in view the national development challenges, JWSP has crafted its vision of Social and economic empowerment for all. Under the guidance of the vision, most deserving segment of the society requiring socio economic empowerment is women. Therefore, JWSP adopted women centered economic and social development approach. As a result, 99% beneficiaries of our programs are women, highlighting our commitment and focus towards of women development.

The impact assessment study highlights encouraging trends towards more empowerment witnessed through increased women participation in household decisions as well as fiscal matters. Summary of key empowerment indicators is highlighted below.

Pakistan being a male dominant society has overwhelming percentage of assets being owned by women. However, the study targeting the low-income strata has sparked a light of change. Almost 5% women stated that they have now the ownership of any asset on their own name. although a very minimal change but this might be the beginning of a better and more balanced tomorrow.

The role in decision making always highlights one's accession to power and highlights the empowerment. In the demographic analysis, majority of the married women emerged to be the borrowers. This gave them a central role in the decision for the household matters. Over 75% of the cases highlight role of women either jointly or solely. No major change was witnessed during the pre-post analysis.

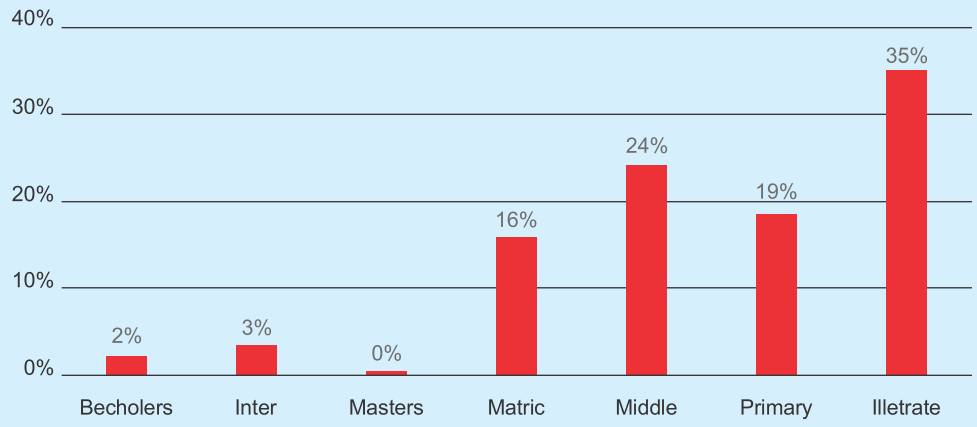
Another aspect of the women empowerment is her ability to take decisions or be part of the household decisions. Survey specifically focused on this aspect of the empowerment and very positive results emerged as highlighted in the following graphs. Almost in all of the cases there was increase in the percentage where role of women has increased across the range of situations requiring decision making.

So, from the graphs 23-31, this can be concluded that apart from the positive impact of the loan program on the socio-economic profile of the clients the ability of the borrowers to take part in important household decisions has also increased visibly.

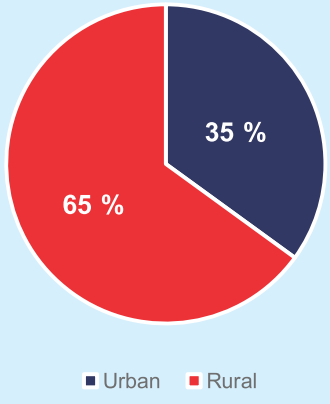
Furthermore, the Fig-30 sheds light on the perceived importance of the women borrowers in the minds of their husbands, in-law's family members and the community in general. This highlights that the perceived importance of the women borrowers has increased in every scenario due to their positive contribution in the family livelihood.

Since JWSP serves loans to the women entrepreneurs, it was necessary to gauge their level of freedom to visit market places for business purposes. The results under this head were also very encouraging as 94% respondents acknowledged that their families have entrusted them to visit market places to carry out the business transaction (Fig-31).

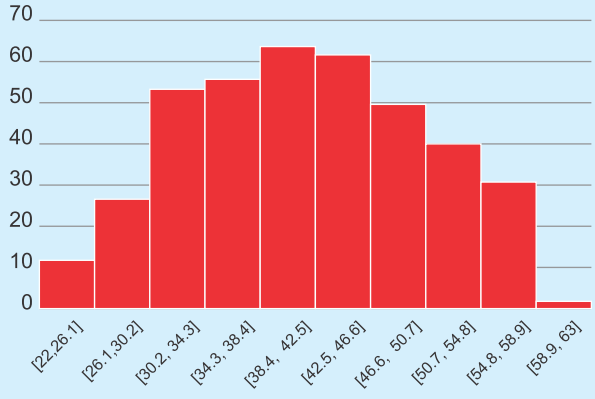
Literacy Levels (Fig-2)



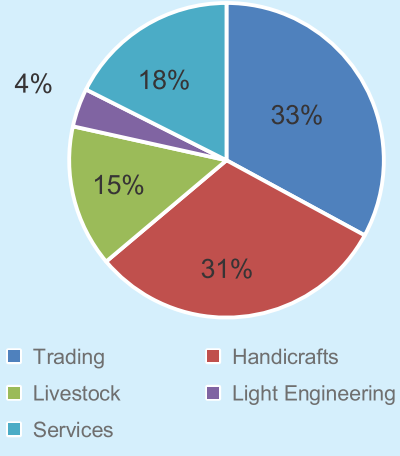
Urban Rural Split (Fig-3)



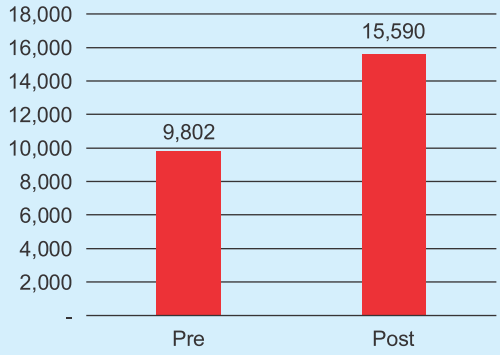
Age Histogram (Fig-4)



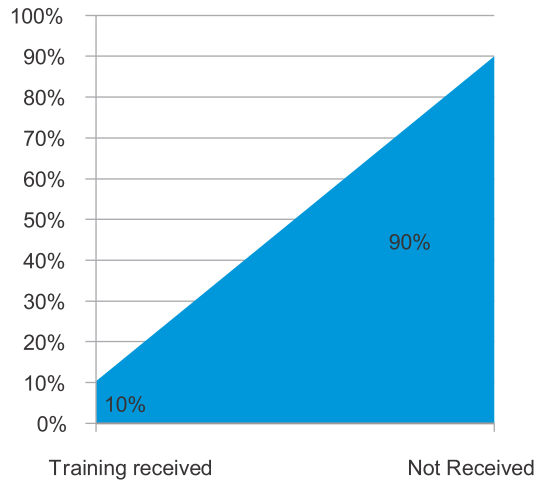
Economic Dependency (Fig-5)



Avg. Monthly Savings (Fig-6)



Training Incidence (Fig-7)



Growth Enablers (Fig-8)

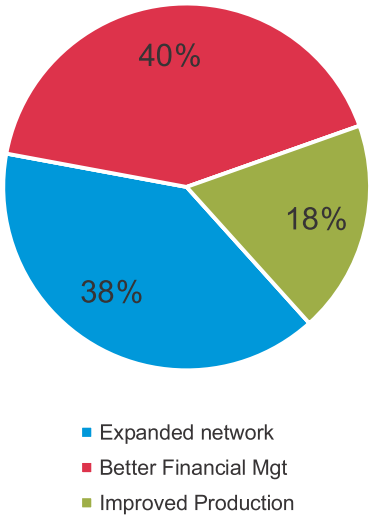
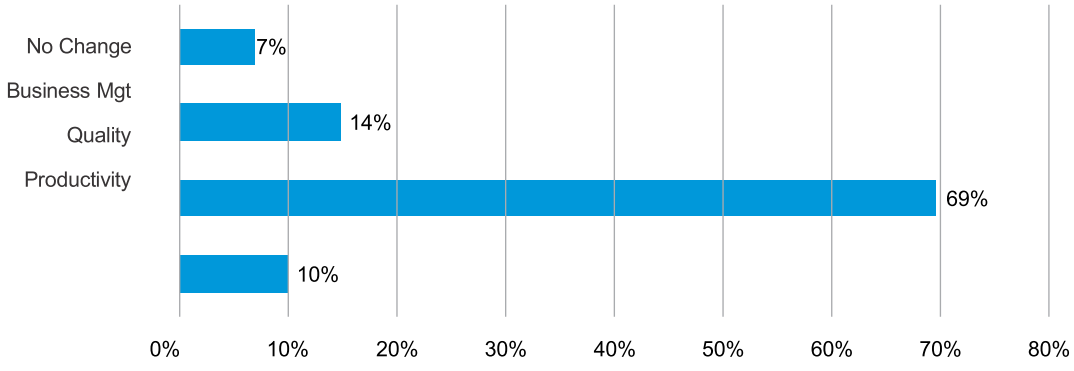
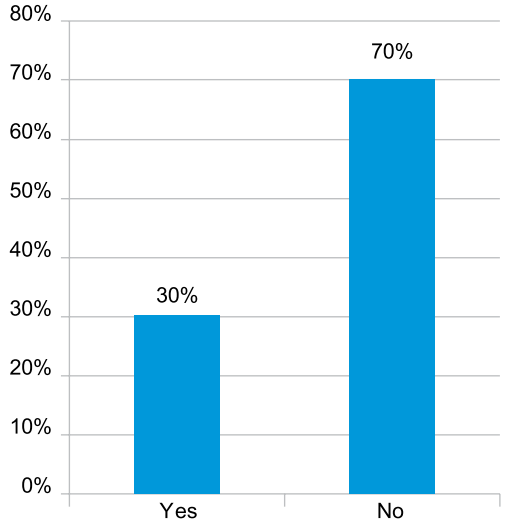


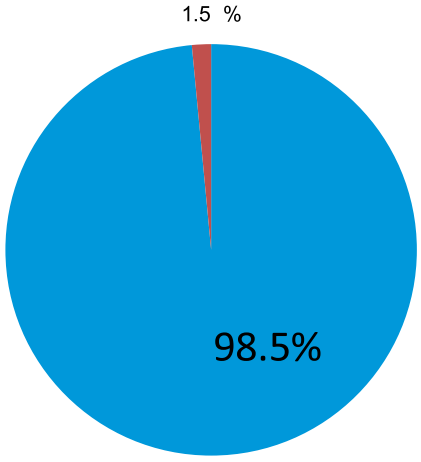
Chart Title (fig-9)



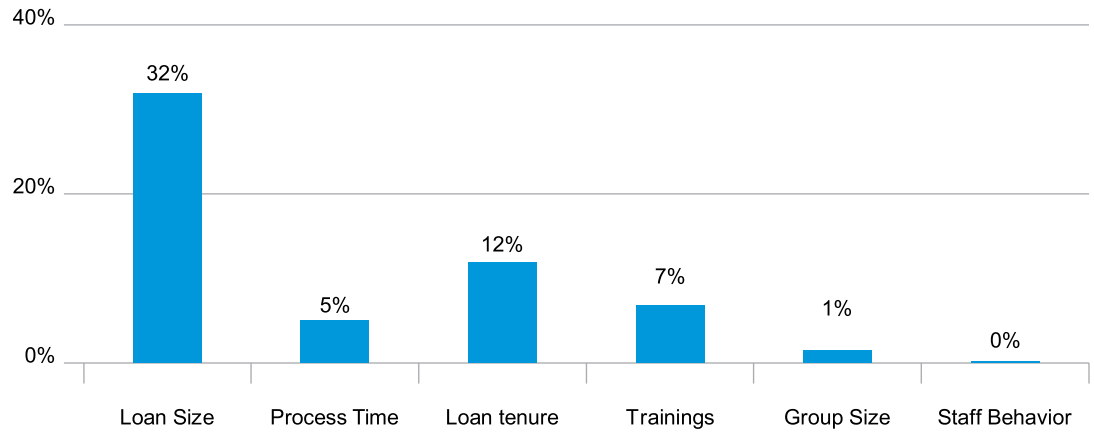
Business Record (fig-10)



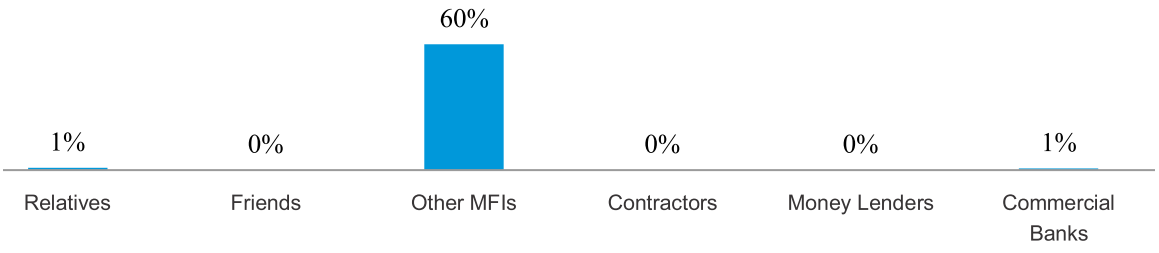
Client Satisfaction Level (fig-11)



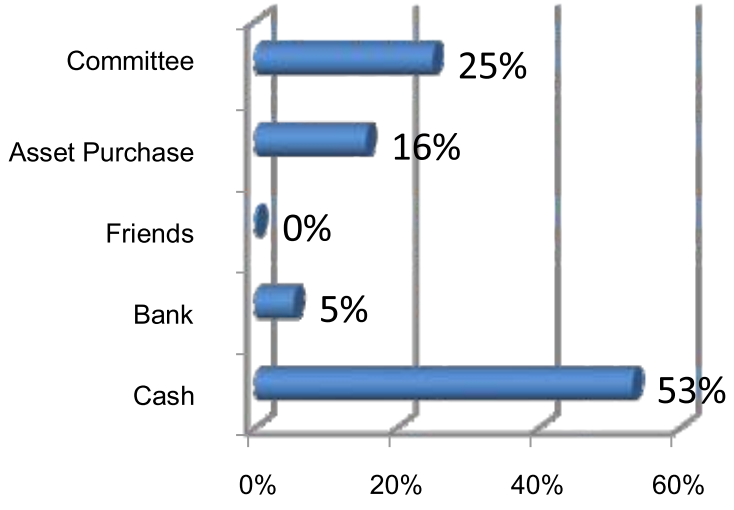
Suggestions (fig-12)



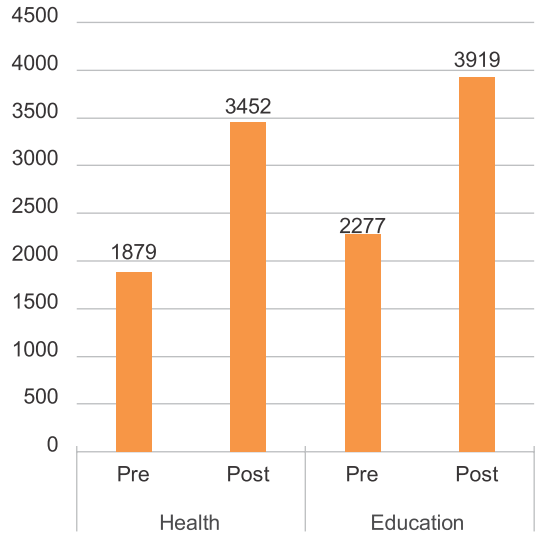
Financial Choices (fig-13)



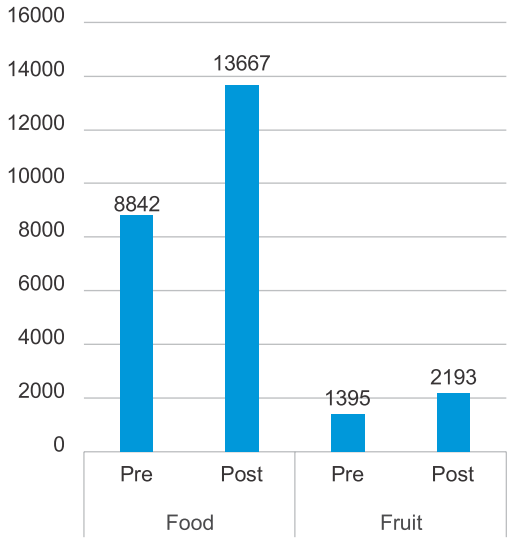
Modes of Savings (fig-14)



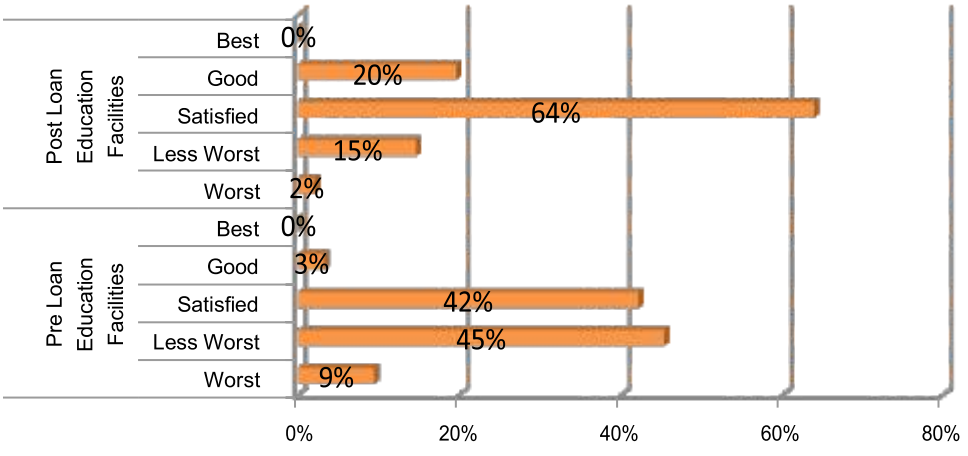
Spending Patterns (fig-15)



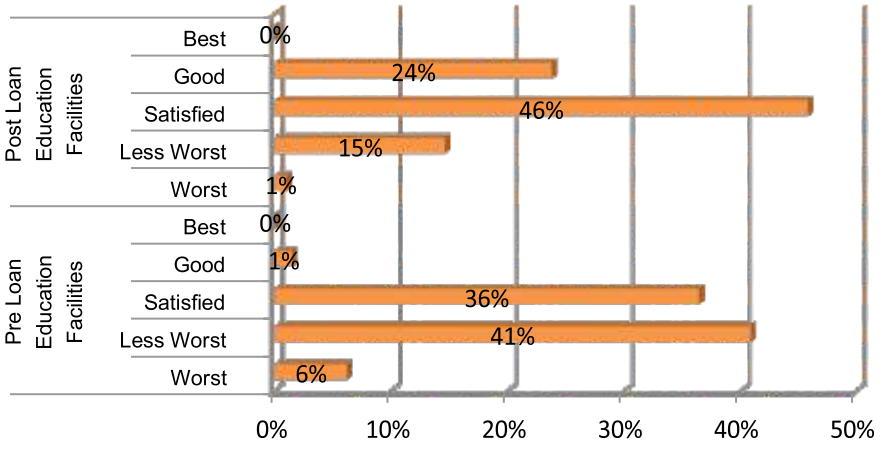
Spending Patterns (fig-16)



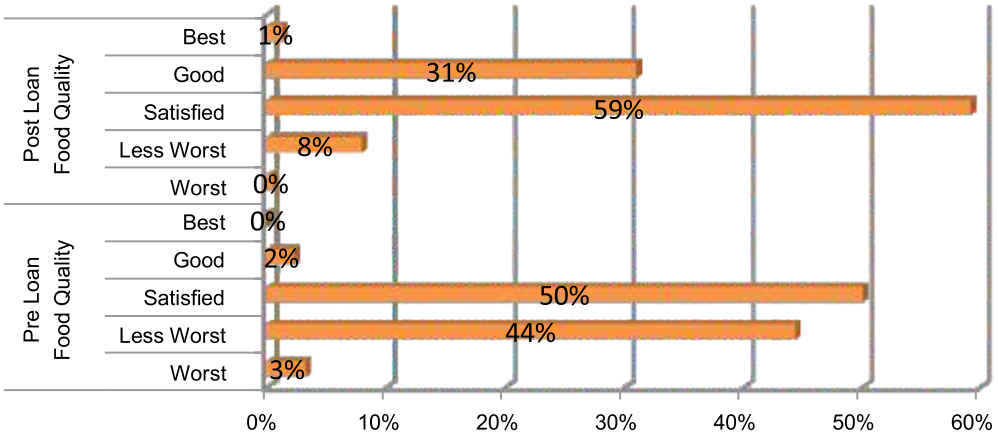
Pre Post Health (fig-17



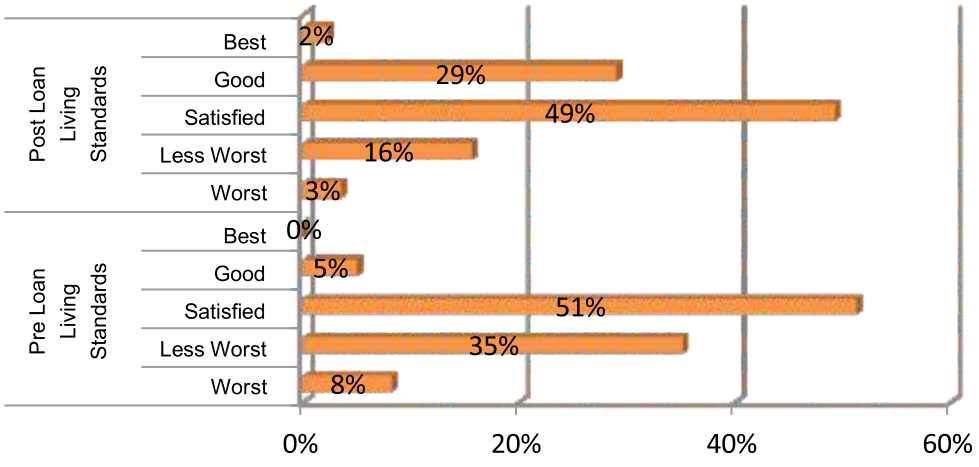
Pre Post Education (fig-18)



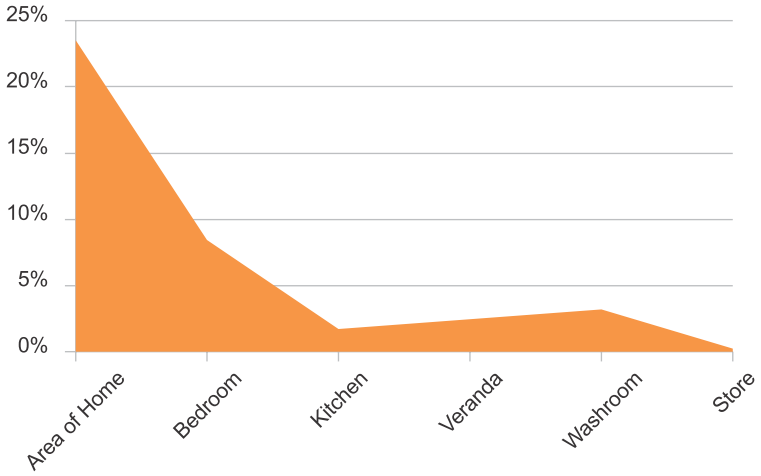
Pre Post Food Quality (Fig-19)



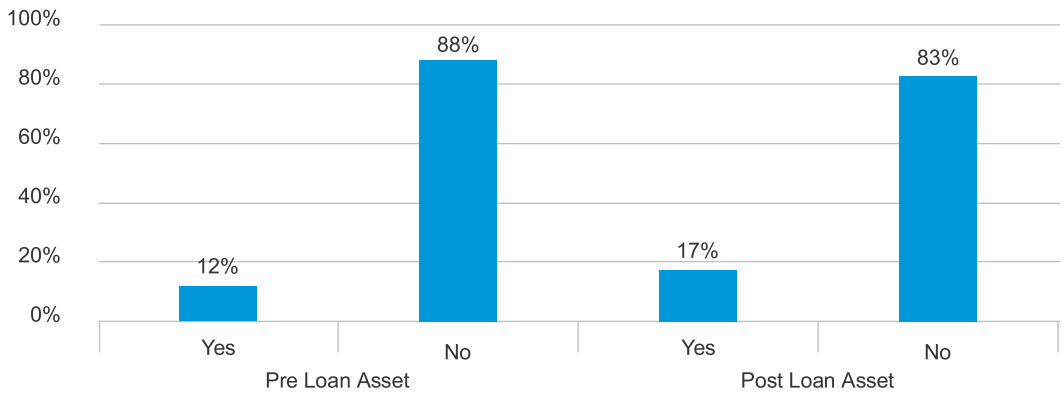
Pre Post Living Standard (Fig-20)



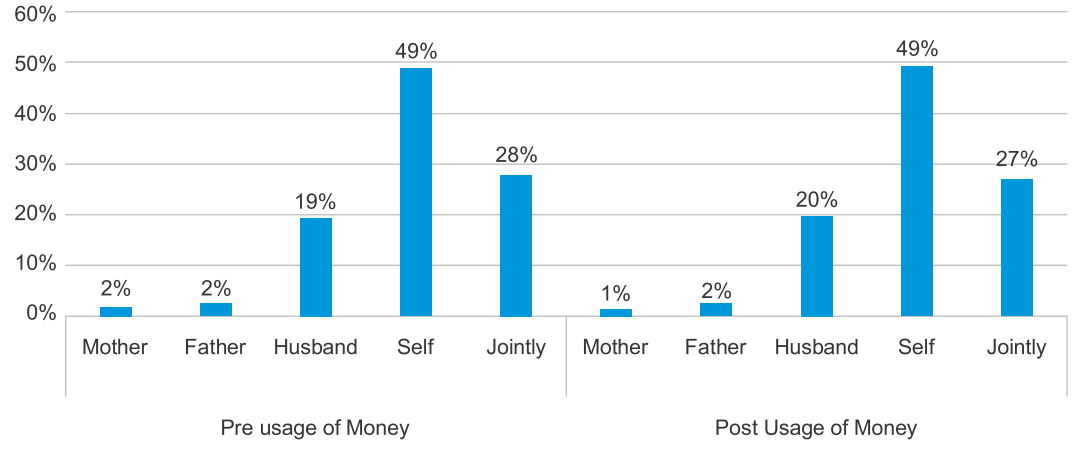
House Renovation (Fig-21)



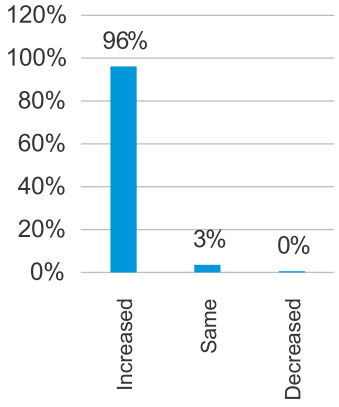
Women Owned Assets (fig-22)



Role in Usage of Money Decision (fig-23)

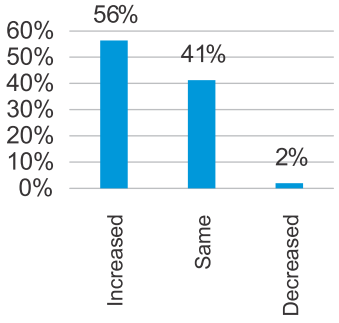


Decision making in Expenses (fig-24)



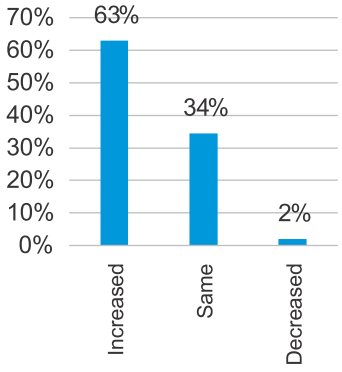
Household expenses

Decision making in Assets sale/purchase (fig-25)

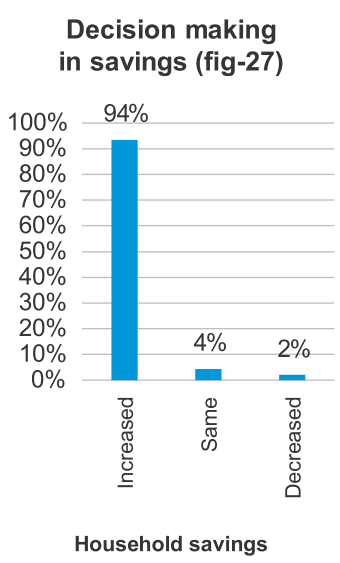


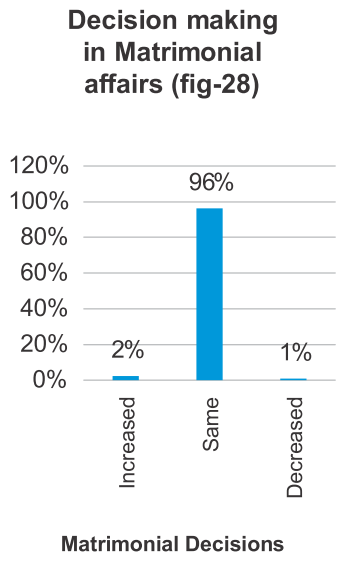
Household asset purchase/sale

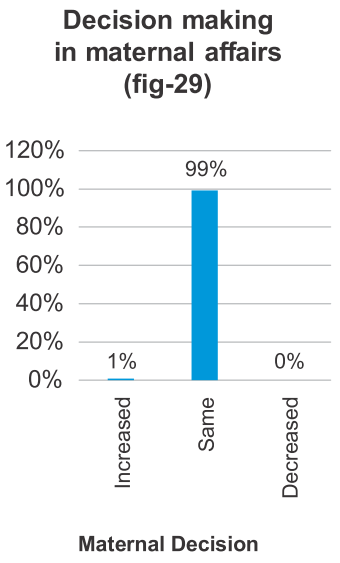
Decision making in Education (fig-26)

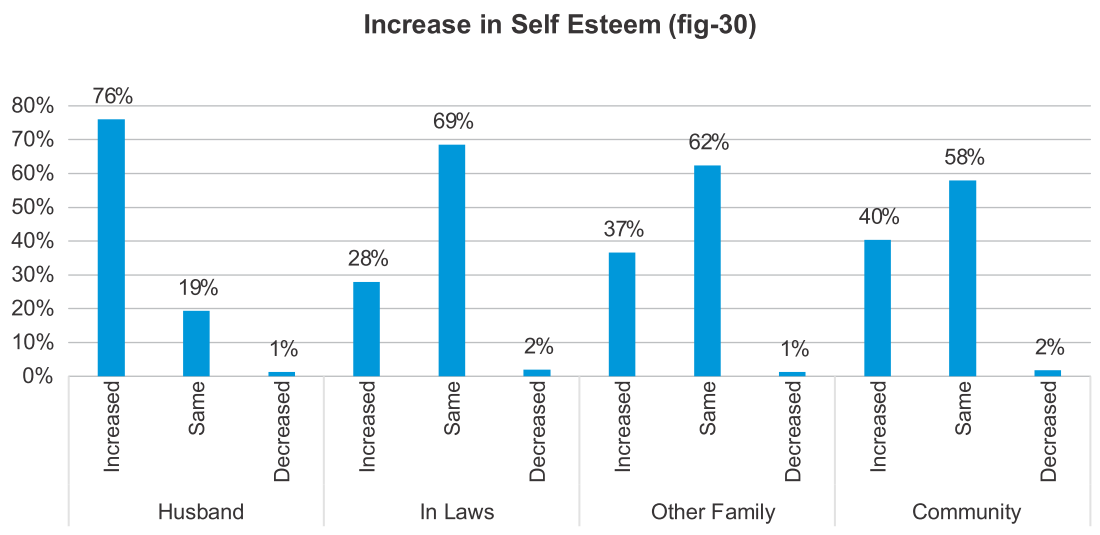


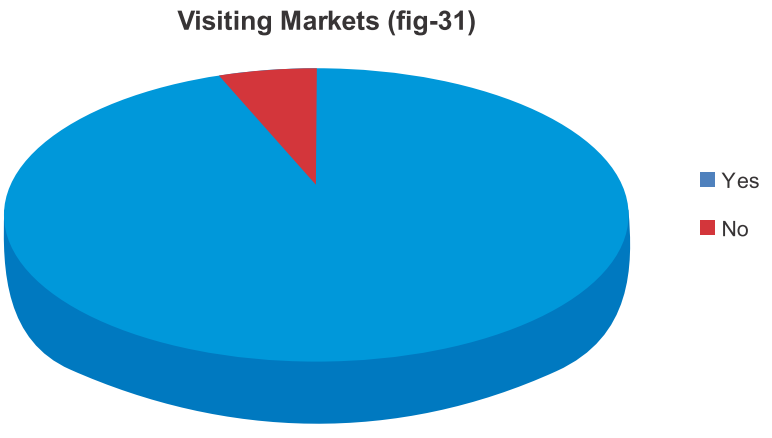
Education & health of childeren


Decision making in savings (fig-27)
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
94%
4%
2%
Increased
Same
Decreased
Household savings


Decision making in Matrimonial affairs (fig-28)
120%
100%
80%
60%
40%
20%
0%
2%
96%
1%
Increased
Same
Decreased
Matrimonial Decisions


Decision making in maternal affairs (fig-29)
120%
100%
80%
60%
40%
20%
0%
1%
99%
0%
Increased
Same
Decreased
Maternal Decision


Increase in Self Esteem (fig-30)
80%
70%
60%
50%
40%
30%
20%
10%
0%
76%
19%
1%
28%
69%
2%
37%
62%
1%
40%
58%
2%
Increased
Same
Decreased
Husband
In Laws
Other Family
Community


Visiting Markets (fig-31)
Yes
No





INSTITUTIONAL HIGHLIGHTS

Human Resources & Institutional Development

Finance & Accounts

Operations

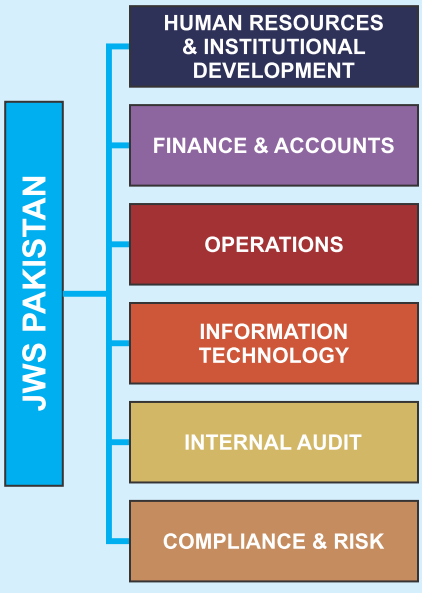
Information Technology

Internal Audit

Compliance & Risk

Departmental Overview

JWS Pakistan has developed the departmental structure in a way that promotes flow of information from any direction and facilitates on the spot decision making by the line managers. This has been made possible by the flat nature of organizational structure thus creating minimum levels of hindrances thus allowing access to real time operational indicators for the key decision makers.



At the top of the list stands the department of human resource and institutional development (HRID) and is tasked with fulfilling the staffing needs of the company to meet the exceptional challenges of the market. HRID department has been able to meet this challenge in a professional manner.

Finance & Accounts department provides oversight over all transactions including the preparation of management accounts, budget creation, expense monitoring, client insurance and claim processing, and data reconciliation. On the Finance side, department is responsible for debt management, liquidity management, oversight of cash management systems, debt raising, reporting, and treasury management.

Operations department is the largest department at JWS Pakistan. Department is responsible for the provision of financial and non-financial services of the company in all the operational areas. Department plays key role in development of business growth plans and product development as well. Operationally department has divided its teams into eighteen (18) operational areas headed by Area manager in the central, southern and upper Punjab region. These areas are then divided into operational branches.

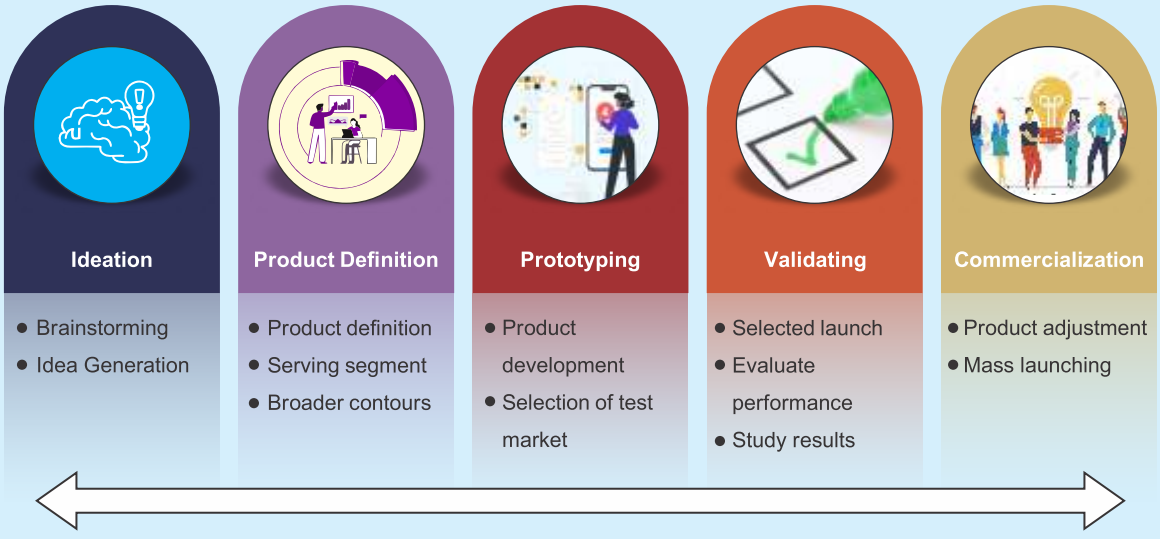
Information technology department plays a central role in providing the critical services of IT system, safety and security of the data as well as works seamlessly in enhancing the operational standards of the services and systems.

The Internal Audit Department being an integral part of management team is adding value by improving organizations operations through furnishing top management with independent and objective analysis, appraisals, counsel, and information regarding the overall activities and significant issues.

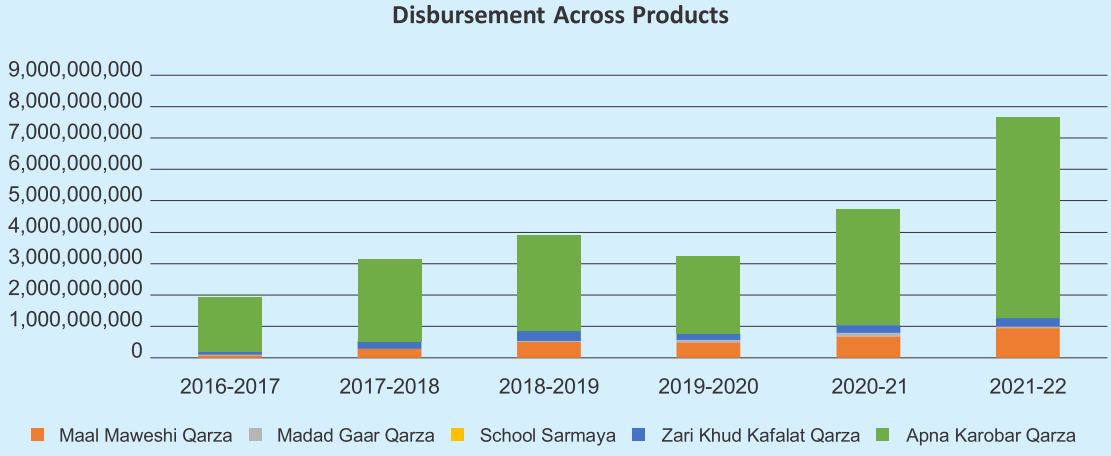
Compliance & risk management department uses risk management graduation model (RMGM) to systematically assess, analyze and report various risks to the management. Department works with an integrated approach and has strategically placed its resources to pick up early signs of compliance negligence's and potential risks to take evasive actions probatively.

Products & Services

JWS Pakistan has always strived to develop client oriented and demand driven solutions for financial needs of marginalized segment of our society. This however, goes through imperative steps of conceiving, designing, piloting and then scaling any product. This process helps us in identifying potential products out of many emerging trends.



Over the period of the time, JWS Pakistan has expanded its outreach and presence in the rural and urban areas of the Punjab province. This has been made possible by offering demand driven products to the communities along with excellent non-financial services. The graph below highlights the steady growth of disbursement amount over the period of time under various operational products.



The graph highlights the apna karobar qarza to be the most popular product among the list of other products.





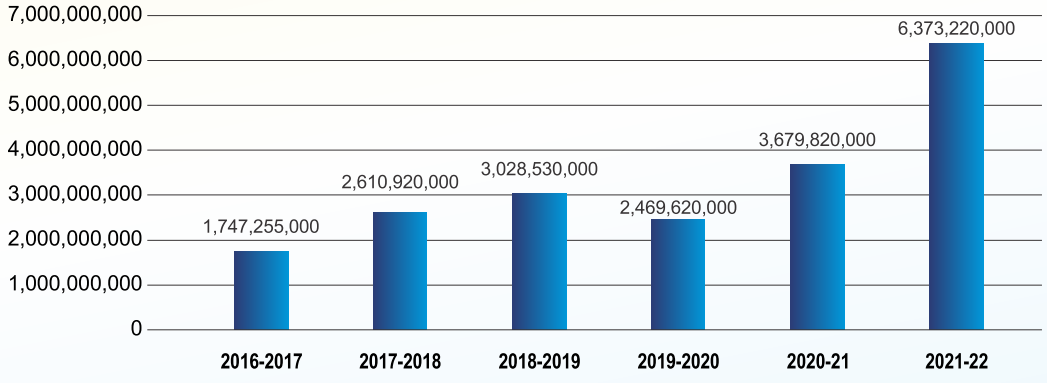


اپنا کاروبار قرضہ

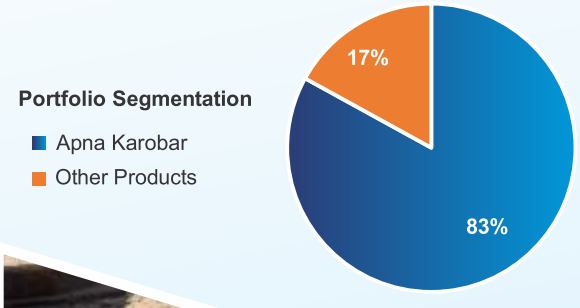
“Apna Karobar Qarza”

JWS Pakistan “Apna Karobar Qarza” is a product for low income individuals undertaking income generating/business activities for a variety of purposes. Apna Karobar Qarza is a household loan provided for women in the fields of handicraft, manufacturing, trading or services activities etc. The loan range starts from PKR 30,000 and ends at PKR 100,000. This product is by far the most popular choice among the clients of JWS Pakistan.

The chart below highlights increasing level of financing towards this product over the period of time.









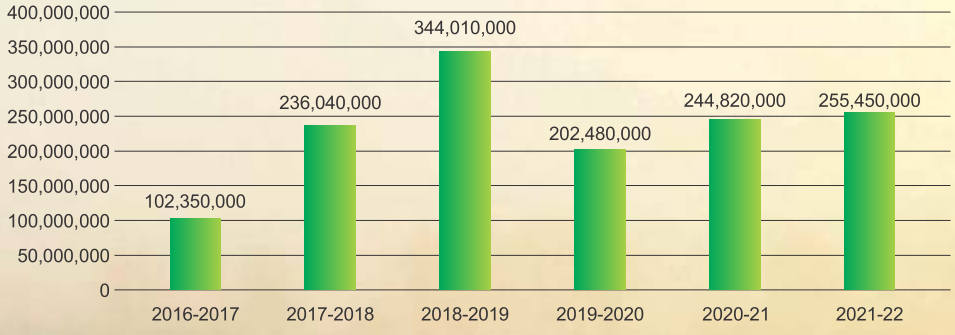


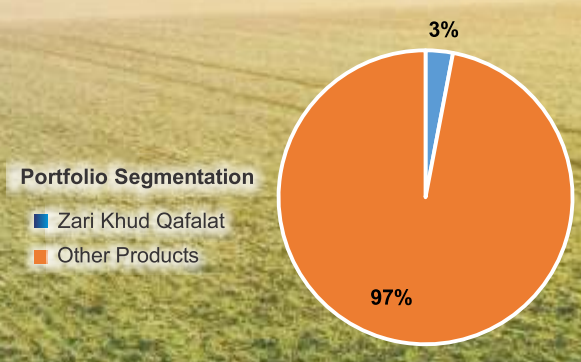
زرعی خود کفالت قرضہ

“Zari Khud Kafalat Qarza”

JWS Pakistan “Zari Khud Kafalat Qarza” is being provided to strengthen the economic base of the low-income farmers, through their increased access to easy and cost-effective financial services, capacity building initiatives and upstream/downstream market linkages.

This product received very positive response from the farming communities and has actively been able to resolve their issues since its launch in 2010. Agricultural loans are disbursed through Farmers Development Groups (FDGs), consisting of 5-15 members having land holding of 5-10 acres. Loan amount ranges from PKR 50,000-150,000. The chart below highlights increasing level of financing towards this product over the period of time.

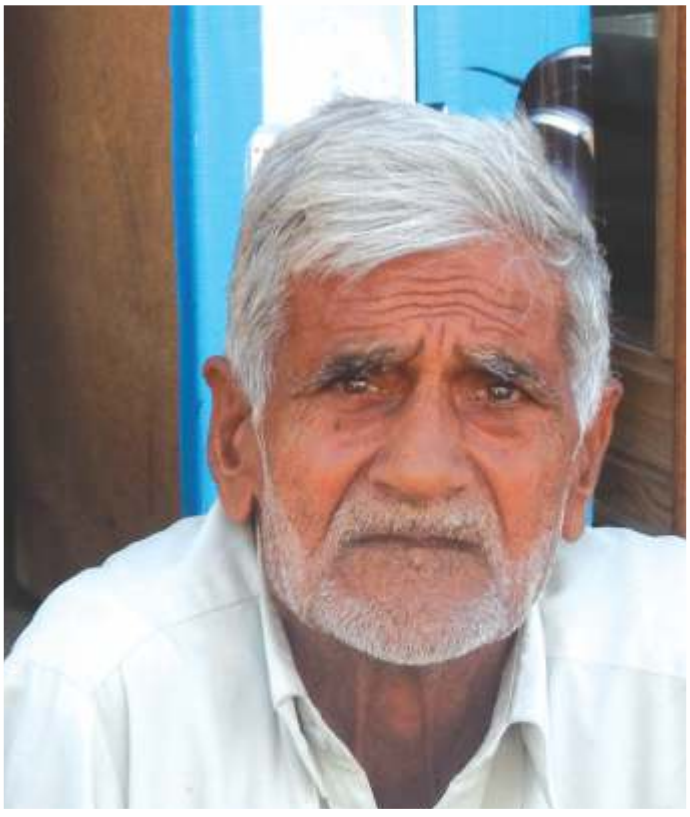












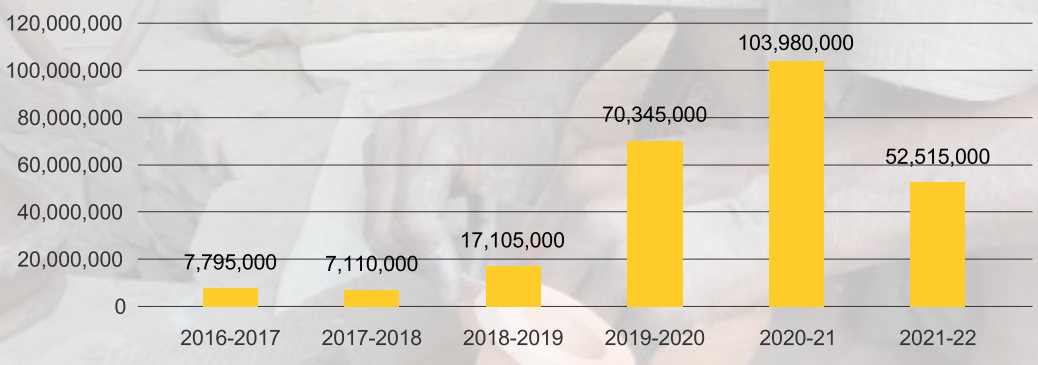


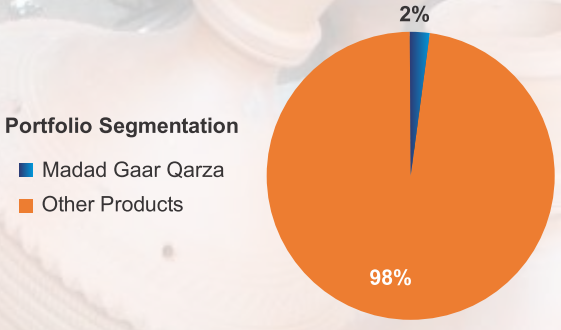
مددگارقرضہ

“Madad Gaar Qarza”

JWS Pakistan “Madad Gaar Qarza” serves the increased credit needs of clients, who want to expand their micro enterprises to increase sale and turnover. Loans are extended for enhancement of income patterns and to create the business activity through purchase of assets, stocks etc to boost the sale/production. The loan range starts from PKR 70,000 and ends at PKR 200,000.

The chart below highlights increasing level of financing towards this product over the period of time.



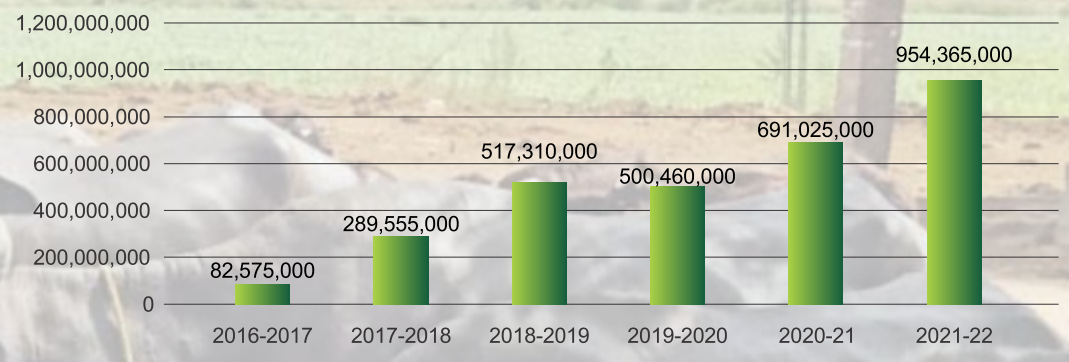


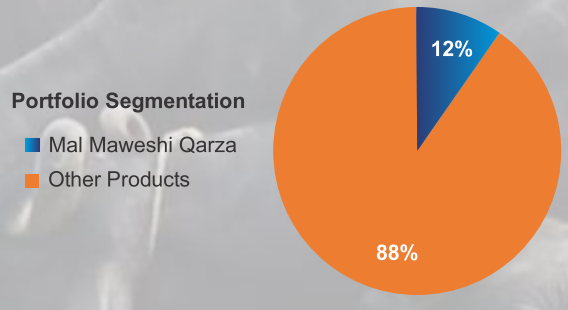


مال مویشی قرضہ
"Maal Maweshi Qarza"

Livestock animals (Maal Maweshi) are the integral part of our rural economy. Maal Maweshi Qarza is offered to farmers, especially women to help in purchasing milking animal as well as in managing fodder and allied supplies to run the small scale dairy business at the household level. The loan range starts from PKR 30,000 and ends at PKR 200,000.

The chart below highlights increasing level of financing towards this product over the period of time.



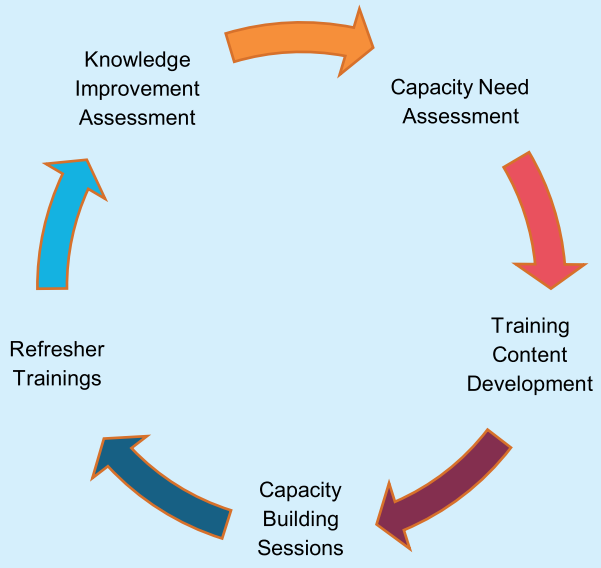


Institutional Development:

A Top Priority

Management at JWS Pakistan believes that in the equation to calculate the strategic advantage in the financial services industry, employees are the key variable to achieve the desired results. Therefore, JWS Pakistan follows a systematic process to improve employees' knowledge, skills, understanding, values, attitude, motivation, and capability necessary to perform well at work. This doesn't stop and keeps on revolving in a circular way to ensure that our staff stays atop in terms of their knowledge, attitude, values and ethics from the rest of the industry.

Company has a culture of believing that employees are most important asset. This strategic importance has gradually helped the organization in emerging as employer of choice among the micro finance practitioners due to its staff focused incentives and wellbeing initiatives. Furthermore, this gives them a profound influence on the policies that affect them and their enthusiasm for their work.



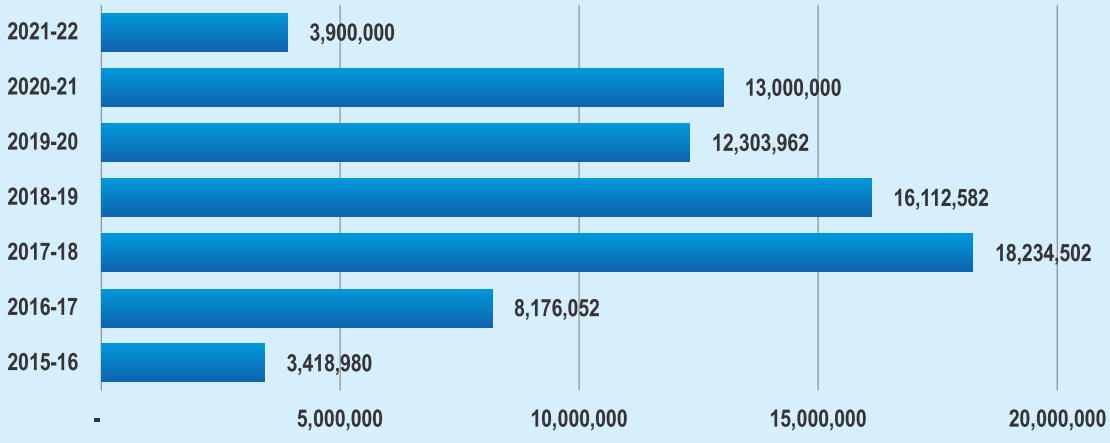
As an employer, JWS Pakistan is recognized for progressive policies such as competitive salary, bonuses, gratuity, provident fund, life and health insurance facilities. At JWS Pakistan, senior management works to ensure that employees are proud, feel valued and are actively engaged in the achievement of company's vision. This culture helped in maintaining the entire workforce during the COVID-19 phase when the industry was practicing downsizing and carrying out salary cuts.

At JWS Pakistan, there are several initiatives that are geared towards enhancing and improving the staff capacity and capability towards various operational dimensions. The chart below highlights some of the unique tools and strategies being used to empower employees.



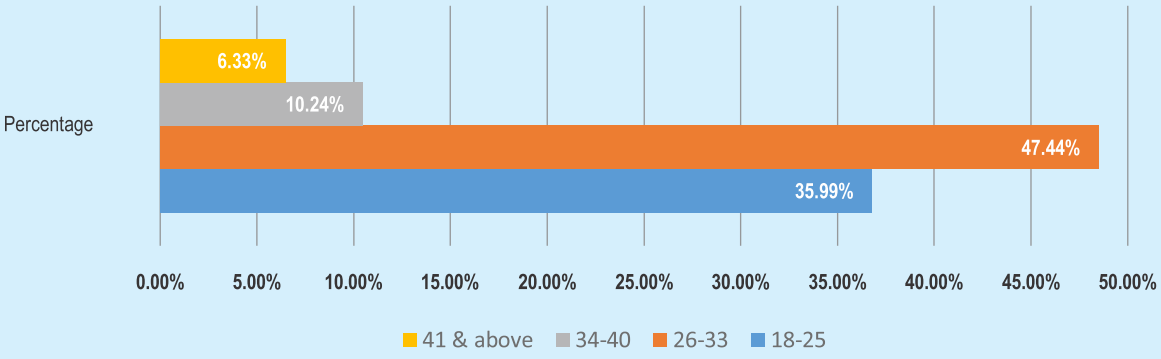
Furthermore, the following graph highlights the overall investment carried out by the company in designing various training events and programs to uplift and maintain staff competency.

Human Development Investment



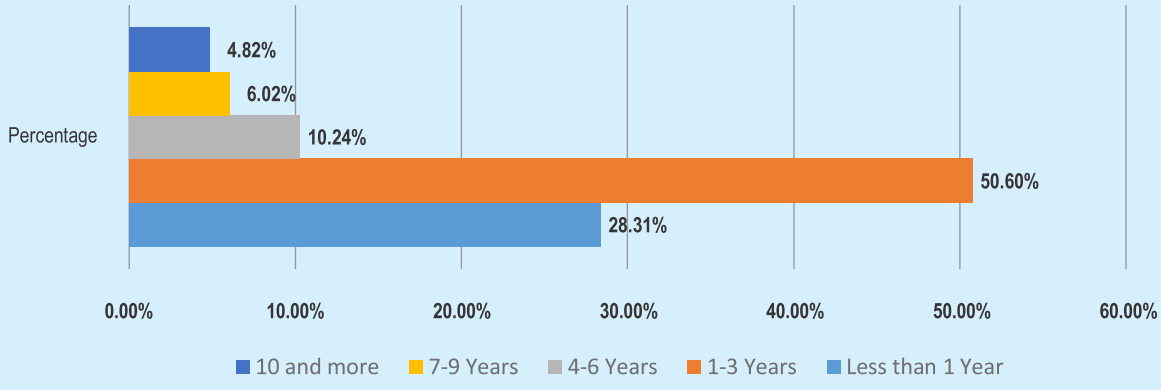
These training and capacity building efforts have been central in maintaining a diversified, talented and young workforce of over 1,045 persons. Following are the key demographics of the workforce;

Employees Age Brackets

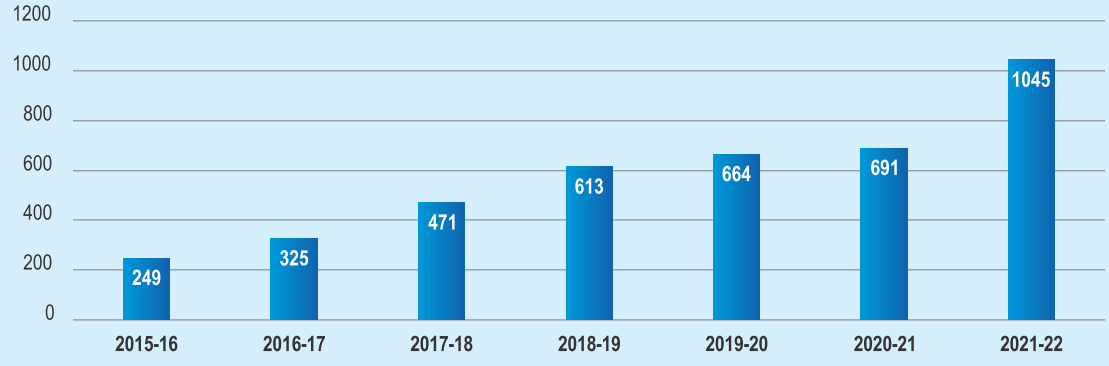


Promoting Leadership: JWSP has an active mentoring program that allows more experienced and Innovative employees to give back by helping others to grow. It gives participants an opportunity to expand their personal networks, build confidence and prepare for future opportunities. The program works at various tiers and has been a key contributor in the team development.

Experiece of Team



JWSP Staff Growth



Diversified Recruitment: JWS Pakistan has a formal employee diversity plan as part of the growth strategy. The plan demonstrates company's dedication to providing an atmosphere free from barriers that promotes equity and diversity. We celebrate and welcome the diversity of all employees, stakeholders and external personnel. It is the policy of JWS Pakistan to foster an environment that respects people's dignity, ideas and beliefs thereby ensuring equity and diversity in employment. Under this program, company was able to recruit employees from over 32 districts of Pakistan.

Building Future Leaders: Growing the talents of future young leaders is one of the most important goals of JWS Pakistan. Board has a dedicated HR committee that actively foresees future needs in terms of leadership, required skill sets and approves strategies accordingly. Under this initiative, company has carried out succession planning for all the important tiers of management cadre.





Be the Person
You Want To Work With.

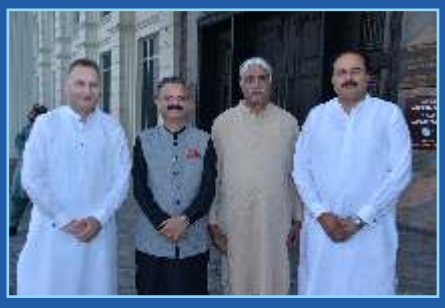


The happiest people in life are the givers, not the getters.



JWS Pakistan Under the “Food Support Program”
free ration distribute among
the deserving people of the community.








"Iftar is a time of huge blessings and reward"

IFTAR PARTY 2022


شارجه








ON
ON
EXE



INSTITUTIONAL PERFORMANCE

Performance Outlook

Financial & Operational Performance

Outreach	Products	Self Sufficiency	People & Planet	Responsible Financing
District Covered **22** **(Upper, Central & Southern Punjab)**	**Loan Products** **04** Apna Karobar Qarza Zari Khud Kafalat Qarza Madad Gaar Qarza Mall Muweshi Qarza	**Recovery** **99%**	**Client Trainings (Women)**	**AML-CFT Compliance** • Client Financing • Procurement • HR Recruitment • Investor Profiling
Operational Offices **110**	Credit Plus Services Trainings, Linkages Development, Business Orientation	**Client Retention Rate** **66%**	**Financial Literacy Training**	E-Verisys 100% of all the clients
Permanent Staff **1045**	**Lending Range** **30,000 to 200,000**	**Operational Staff Sufficiency** **122%**	**3.9 Million spent to enhance staff capacity**	Integrated Servers with NACTA for real time scanning.
Active Client **138,264**	**Collateral Type** **Social**	**Financial Self Sufficiency** **107%**	**Plants distributed for Green Pakistan Campaign**	**NACTA Scanning** • Clients • Guardian • Nominee • Guarantor • Beneficial Owner
Social Safety Nets	**Health Insurance** **767 Claims processed amount 5,179,885**	**Life Insurance** **518 cases amounting to PKR 19,010,836**	**68% of portfolio in Rural Areas**	**Risk profiling of all the clients using a well defined risk based apporach**



This is not charity. This is business: business with a social objective, which is to help peoples get out of poverty.

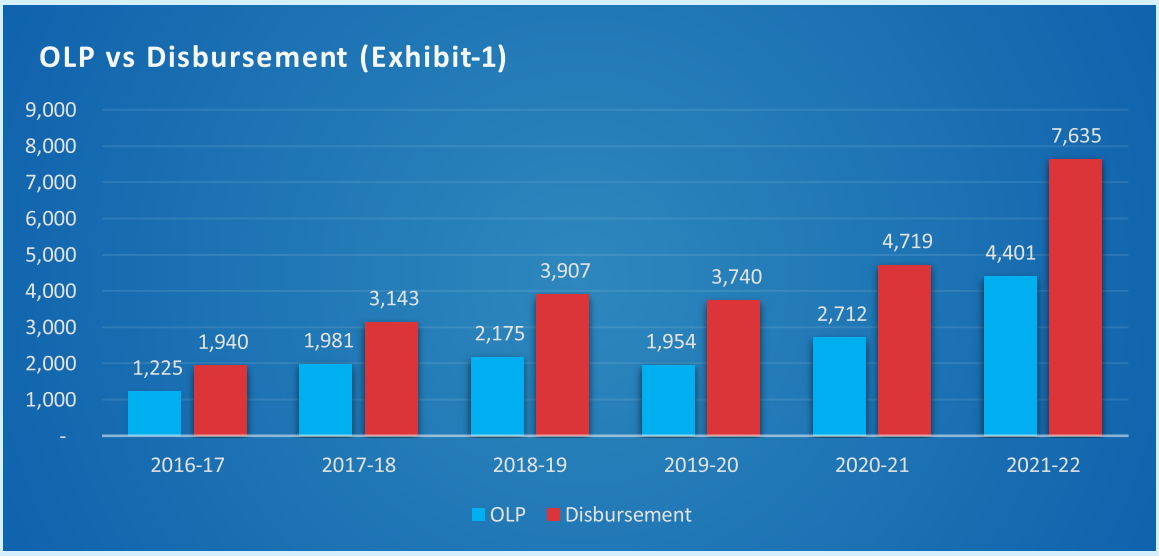
Operational Highlights

JWS Pakistan has a rich history of performing better in every crisis situation. This has been made possible by investing heavily on the capacity of the staff and offering competitive incentives to the staff. The section below presents the operational highlights of the key parameters used to gauge performance;

Keeping in view the overall market situation and the relative calmness in the COVID pandemic, JWSP gradually moved ahead towards offering financial services throughout its operational areas.

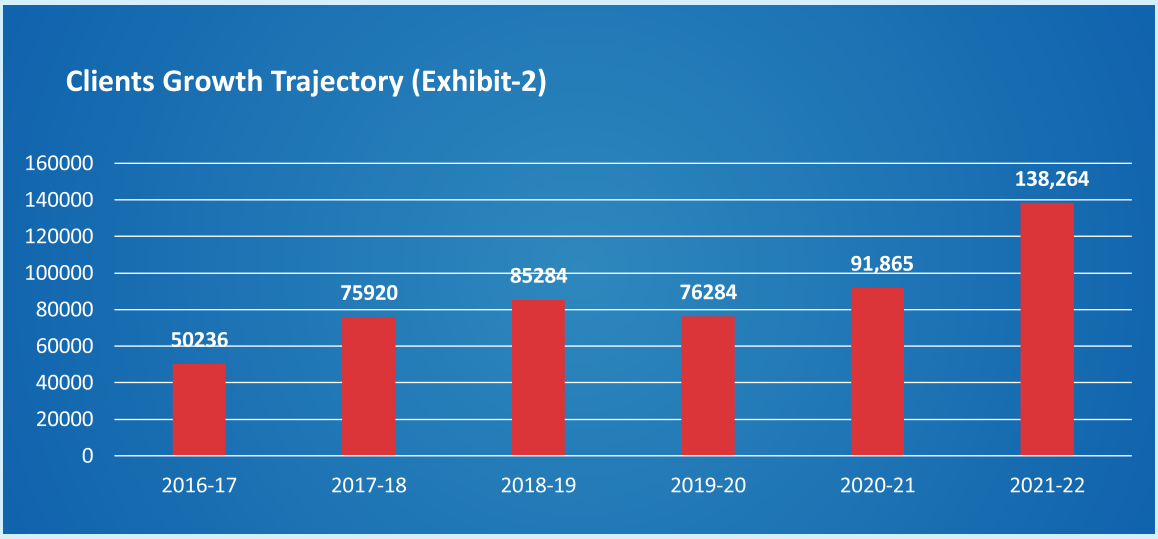
The overall strategy was to lower the overall growth trend and solidify the existing openings to effectively meet with the COVID challenge. This timely revision of growth plans helped the entire team to manage the existing portfolio successfully with above industry results. The historical growth trend over the past few years is summarized in the graph below; (Exhibit-1).

The growth trend also highlights excellent acceptance of financial and non-financial services among communities. In the chart below, the blue bars highlight the OLP while the red ones represent disbursement.

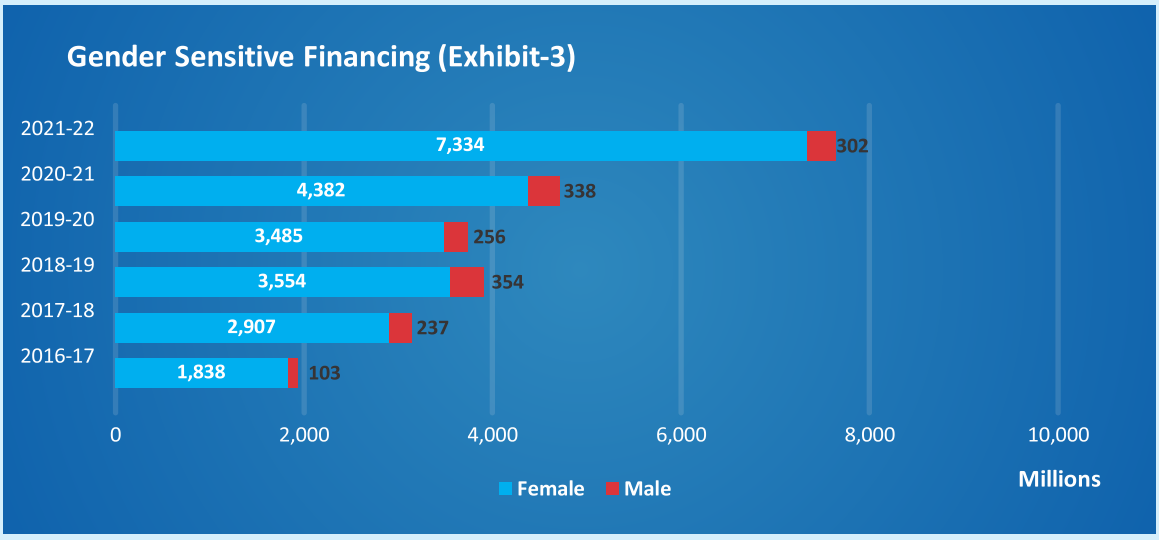


This portfolio has been maintained cleanly with portfolio at risk ration of below 1%. This clearly highlights commitment of our team as well as strong and productive client relationships. Both the OLP & disbursement targets were achieved in light of the revised growth plans approved by the core management.

Towards enhancing the client base, the closing figure was a new high i.e. 138,264 despite of the ongoing difficult macro-economic environment. This helped us successfully maintaining above 1% share of the overall micro finance market in Pakistan. Similarly, JWS Pakistan has gradually increased its average loan size up to PKR 55,000 keeping in view the business needs of clients and their regular requests.

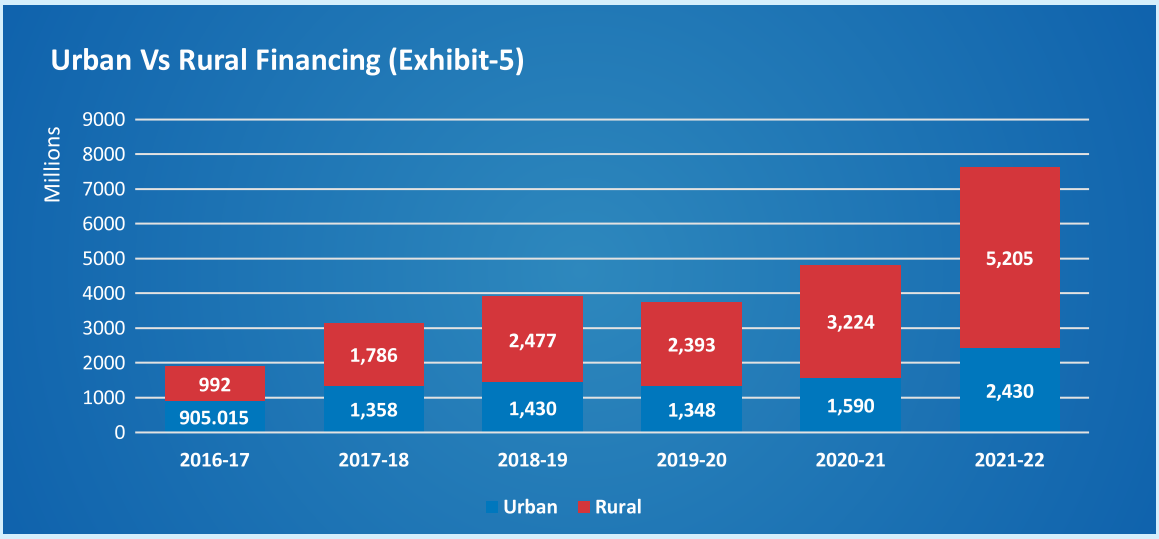


The Exhibit-3highlights the institutional mandate and preference of JWS Pakistan tilted toward women. The underlying reason is the ability of women to add extra income into the household economies as well as their own socio-economic empowerment. Similarly, the financing pattern is getting denser in the rural areas than the urban one. This again confirms that the company is ideally working to promote financing in the rural and underserved segment of the society.

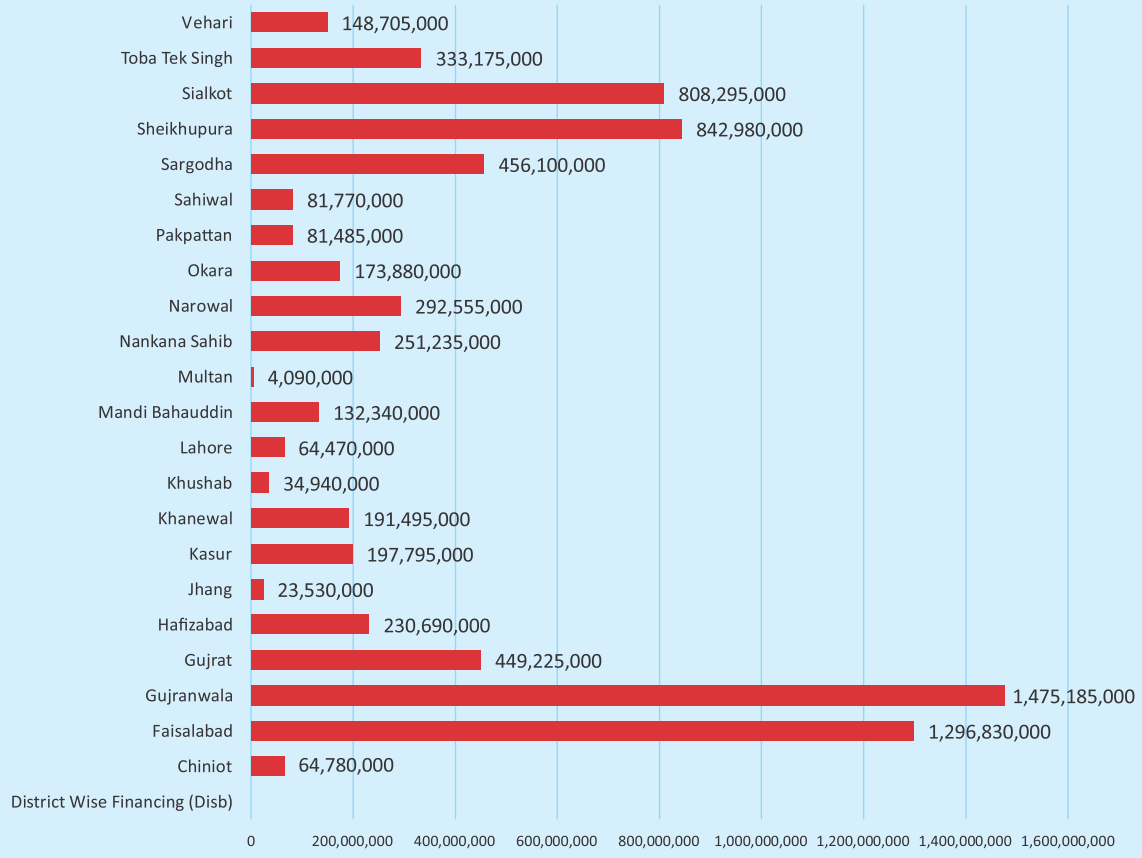


Portfolio Diversification

Department of compliance and risk issues portfolio diversification guidelines from time to time to ensure that the overall risk is within manageable range. In the absence of deposits by the customers due to regulatory restrictions, the portfolio diversification becomes even more important and critical for non-bank micro finance institutions. Realizing the importance, JWSP follows sound financial management principles to lay down the foundations of portfolio diversification across geographical areas, economic sectors and products.

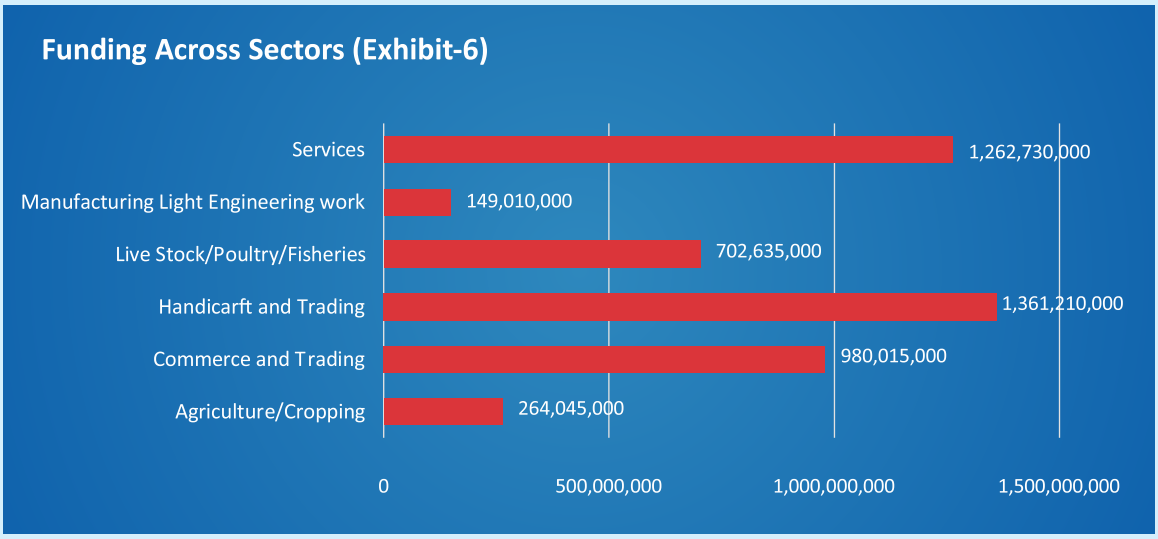


District Wise Financing (Exhibit-5)



Diversification of portfolio across sectors, demographics and geographical boundaries has been a key strategy to enhance the safety of portfolio from external & internal shocks. This has led us to expand geographically in 22 districts covering around 50,000 square km. The uneven distribution of portfolio is due to the number of branches in each district as well as relative years of presence in that particular district.

Gujranwala being the hometown of the company has greatest share and contribution in the portfolio. Furthermore, none of the branch has more than 3 percent exposure of the overall portfolio as compared to around 6 percent during the last few year. This represents a well distributed portfolio across a wider geographical area.



Geographical spread as well as diversification across the sectors are the two main strategies of portfolio diversification. This diversified investment across asymmetrical economic sectors proved to be very helpful in managing and absorbing the severe economic shocks. Exhibit-6 summarizes the funding across the sectors that have local roots and their economic input and output streams are well integrated in the local economy. This selection of economic sectors is made at the product development stage that requires detailed economic analysis beforehand.

The sector selection is further reviewed and scrutinized by the department of compliance and risk to ensure that it meets the overall risk diversification requirements of the company. The basic principal adopted to select the sectors is their relative correlation and non-correlation with key economic variables at a given point of time.

Based on the degree of correlation and non-correlation with key economic variables, strategic limits of financing are set across various sectors to ensure a balanced and well diversified portfolio.

Operational self-sufficiency (OSS) measures the degree to which the organization's expenses are covered by its core business and is able to function independent of grant support. OSS (Exhibit-7) of the JWS Pakistan is positive and comparable to the industry standards. The recent decline in the OSS and FSS are due to the constraints applied on the growth while maintaining all the expenses for socio economic reasons.

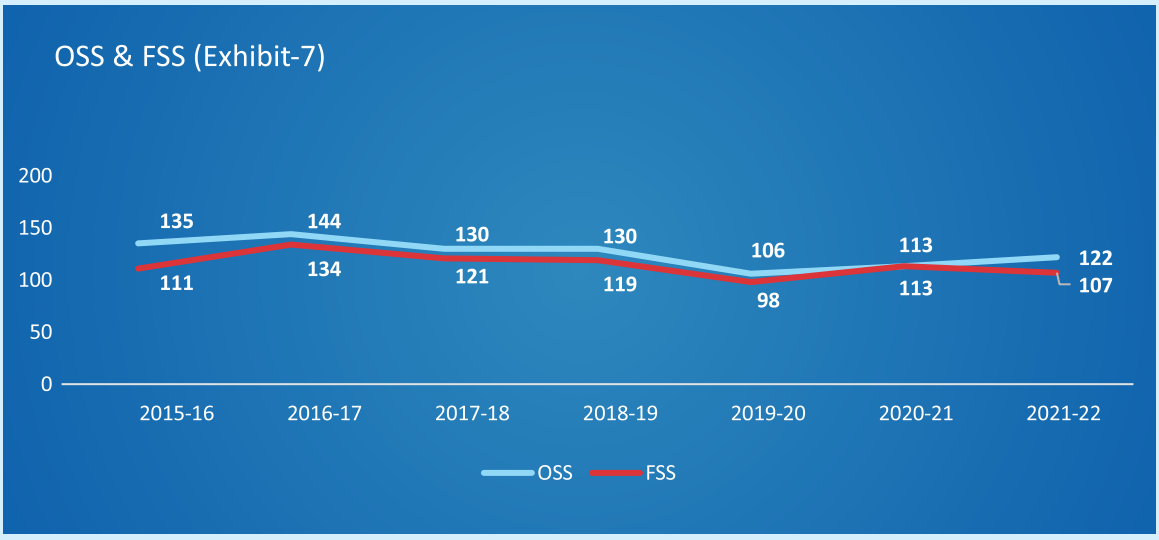
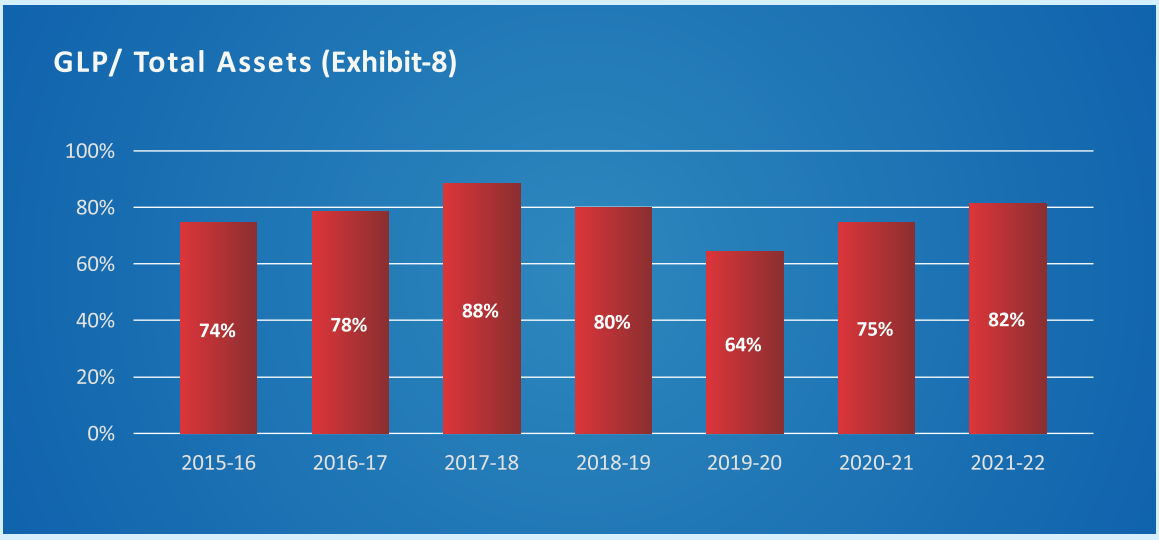


Exhibit-8, highlights the overall asset utilization rate of JWS Pakistan over the last few years. It is another very important indicator of highlighting the operational performance of the company. It compares gross loan portfolio of the company (GLP) with total asset base to present the ability of the company in utilizing the total assets in building up gross loan portfolio (the actual business of the company). A recent decline in the ratio was due to increasing focus of the company on social and environmental concerns as well as reduced disbursements as part of the COVID-19 strategy to manage the overall risk. However, right after the covid, situation is improving and ratio is constantly getting better.




HRD CENTER
JMS PAKISTAN


HRD CENTER
JMS PAKISTAN


FOR ILLNESS
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C.
Indication for adm
3. FOR ACCIDENT
A. Date & time o
B. Cause of ac
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JWSP LIFE & HEALTH INSURANCE

Health and life insurance are considered globally as must have tools while working for the socio-economic uplift of the communities. Their importance stems from the fact that emergencies of health and life-threatening nature are very costly and end up putting debt burdens and eroding savings of the poor segment of the society. In this scenario the insurance products offer a safety net to help the family in the time of the crisis.

JWS Pakistan operates with a mission of helping communities in every possible manner. This has enabled us to offer some innovative and popular insurance services for our valuable clients. Company offers health and life insurance with following key objectives in mind;

- Reduces the chances of debt burden by covering the cost of healthcare
- Provides a safety net to cover client needs in emergencies
- Availability of better healthcare facilities with prominent hospitals in the panel.

HEALTH INSURANCE

JWS Pakistan micro health care plan provides a reimbursement facility to their clients at all registered hospitals. Under this scheme a cover of PKR 30,000/ is provided at following in-patient hospitalization expenses. These expenses are payable subject to the admission in any hospital at least for consecutive period of 24 hours.

- Emergency care due to accidental injuries.
- Surgery and operation expenses.
- Room and board and ICU/CCU charges
- Physician, Specialist, Surgeon, Anesthetist, fee
- Medicine & Lab tests, Oxygen & blood supplies
- Any other reasonable and customary charges during hospitalization

BENEFITS AVAILED

141,257	767	5,179,885
health policy holders	health claims	Rupees of claims

Similarly, JWSP has ensured all of its staff members and during the year 97 cases of hospitalization were facilitated under this policy amounting to PKR 5,234,673.



LIFE INSURANCE

JWS Pakistan provides “credit life insurance” to all its borrowers to eliminate debt burden due to sudden death of the income earner. This scheme is launched with the partnership of EFU Life Assurance Company. The scheme is designed to provide valuable Life Insurance protection to the borrowers.

- Outstanding Amount of Principal Loan (Net of Interest) is paid by insurance in case of death.
- Total Permanent Disability (Accident & Sickness)
- Bereaved Family Benefit (Funeral/Burial Charges) PKR. 7000/=

BENEFITS AVAILED

141,257	518	19,010,836
Unique lives insured	Death claims	Rupees of claims



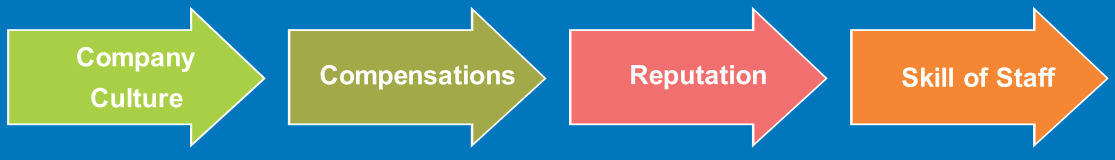


ASPIRING TO BE AN EMPLOYER OF CHOICE

PERKS & BENEFITS
JWS PAKISTAN

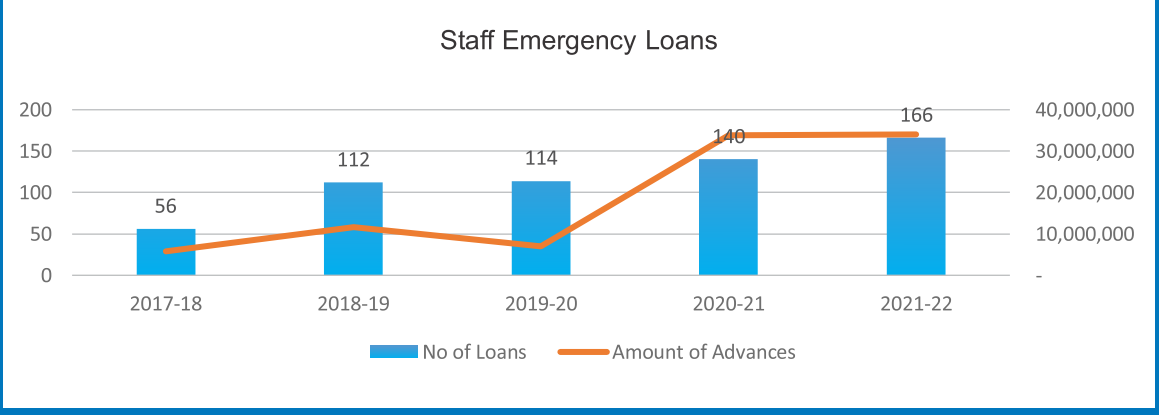
Staff Facilities & benefits

JWS Pakistan has slowly and gradually embarked on a journey to evolve as an employer of choice. In order to achieve the desired results, company management has simultaneously started working on the key aspects of being an employer of choice;



Loan Facility

JWS Pakistan has offered loan facility to meet the investment and housing requirements of its staff members. The loan facility may be sanctioned for up to 20 salaries of the staff members and the amount carries no interest. The repayment tenure and schedule are also flexible and as per the convenience of the employee. Over the years, company has always strived to accommodate the requests forwarded by the staff. Graph below highlights the gradual enhancement of the loan facility.

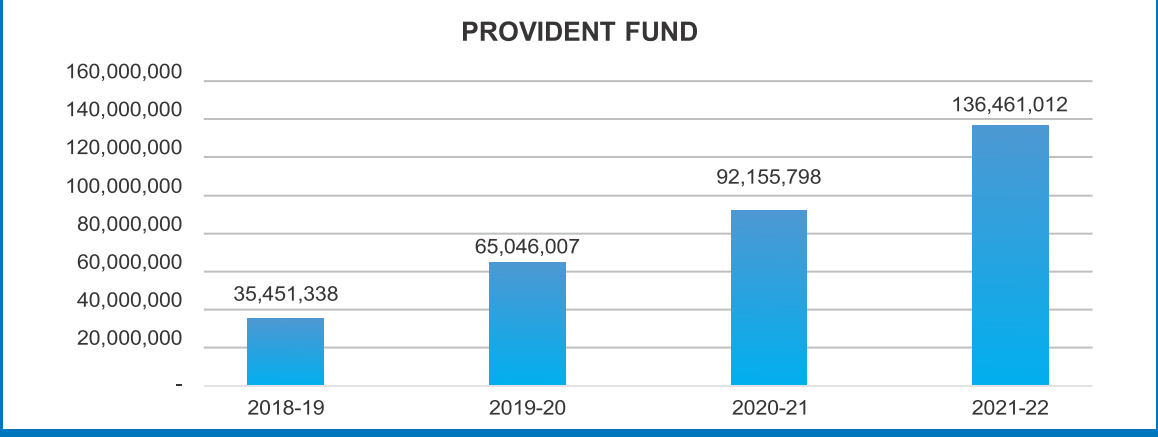


Health Care Facility

To ensure the trouble-free life of its employees and their dependents, JWS Pakistan has availed health insurance facility from EFU Alliance, a well reputed insurance company. Under the agreement JWS Pakistan has financed the health coverage of 745 persons. These persons insured then cover their spouses and children. The coverage is very comprehensive and ranges from 50,000 to 300,000 per person insured per annum.

Provident Fund

To secure the post retirement life of employees, JWS Pakistan has complied with the applicable laws for employers and introduced provident fund. Both the employee and the employer contribute 8.5% of their monthly salaries in the fund. The fund is then invested in some profitable schemes and profit margins are credited to the employees in the fund as per their contribution rations. Historical balances of the provident fund are given below;

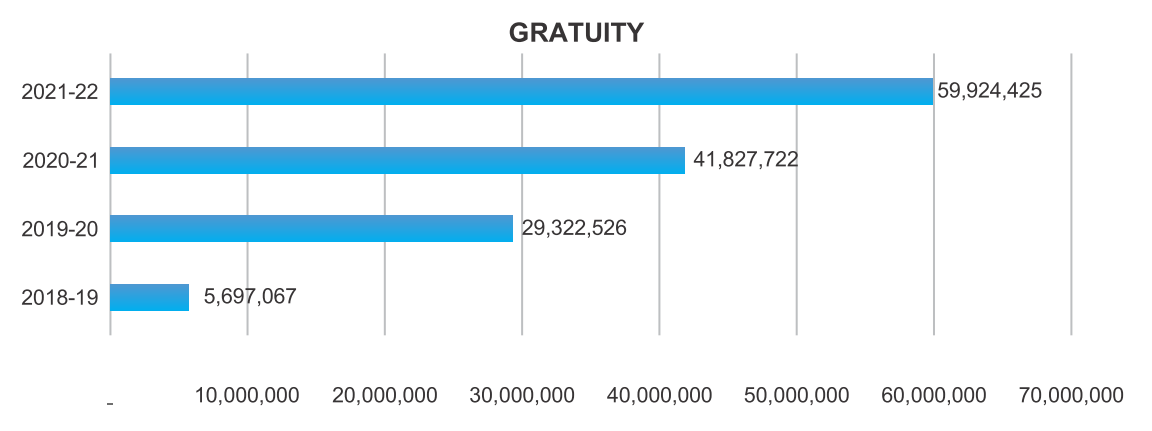


Employees Old Age Benefits (EOBI)

Under the employee old age benefit fund, JWS Pakistan contributes 5% of the monthly staff salary while the employee contributes 1% of his/her salary on monthly basis.

Gratuity Fund

Another benefit offered by the company to its staff in the form of gratuity fund. In this fund, JWS Pakistan contributes one monthly salary each year as a benefit and reward for the hard work of the employees. The amount so collected is then invested under the supervision of a guardian committee for the maximum benefit of the staff members. Historical balances of the gratuity fund are given below;

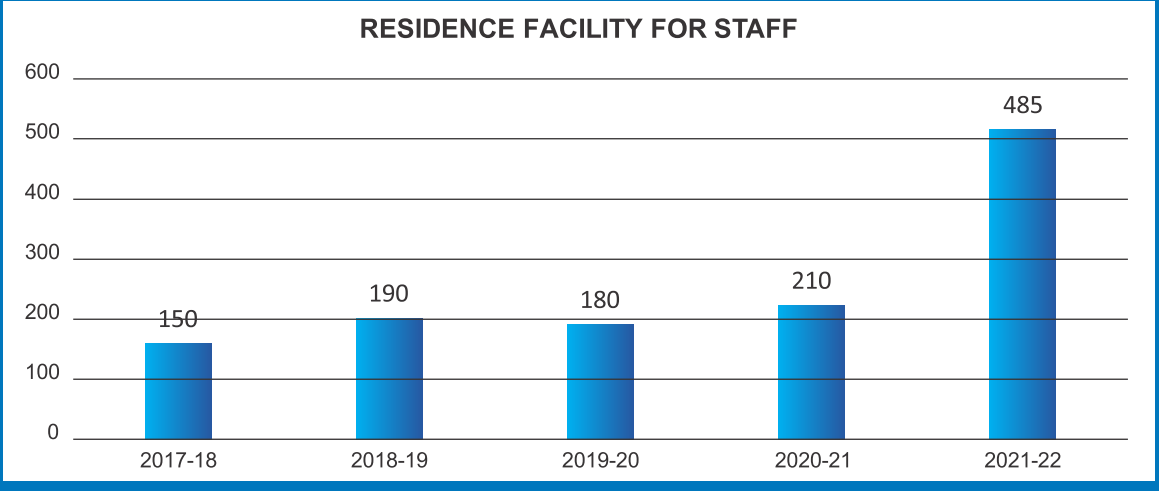


Day Care Centre

Employee's welfare and care has been central at JWS Pakistan. To facilitate working mothers, a day care center has been established at the head office premises. By providing this facility of daycare center, company hopes to relieve its employees of their concern for children during their hours of work. The day care staff is trained in early childhood development so they understand each child's needs and nurture his growing skills accordingly.

Staff Accommodation Facility

JWS Pakistan serves its employees in every possible manner. Another such example is the staff accommodation facility being provided to out of station staff members. Over the period of time the level of facility being sanctioned to the staff is increasing.




WHEN THE
WHY IS CLEAR,
THE
HOW IS EASY.





INSTITUTIONAL COLLABORATIONS

Affiliations & Collaborations

ACROSS THE GLOBE

Participation in national and international networks working for the betterment and uplift of the poor communities has been a passion at JWS Pakistan since long. This collaboration across the globe has helped us in learning new dimensions of performance as well as contribute towards the international best practices by sharing our own. JWS Pakistan has long been collaborating with following international networks regularly;

1. **Banking with the Poor (BWTP):** Banking with the Poor Network (BWTP Network) is Asia's microfinance network that works towards building efficient, large-scale sustainable organizations, through co-operation, training and capacity building with the aim of achieving innovative, appropriate and demand-driven financial services for the poor. The Network is an association of a diverse range of microfinance stakeholders committed to improving the quality of life of the poor through promoting and facilitating their access to sustainable financial services.

2. **Microcredit Summit Campaign:** Micro credit summit campaign is a network of international micro finance companies working towards pre-established targets and agendas. JWS Pakistan has been actively participating in the campaigns to ensure provision of credit facilities to poor communities for self-employment and also helping in improving their purchasing power parity (PPP).

3. **Mix Market:** JWS Pakistan actively reports performance data related to social aspects of our services to the MIX Market on regular basis.This has been helpful in tracking the performance of micro finance services towards the social aspects of the development on the global scale.

4. **Pakistan Microfinance Network (PMN):** PMN is a network of organizations engaged in microfinance and dedicated to improving the outreach and sustainability of microfinance in Pakistan. PMN acts as a disseminator of microfinance information with the aim of enhancing the scale, quality,



5. **Member Punjab Microfinance Network (PMFN):** The idea is to gather institutes and organization working in Micro Finance sector for sharing their work. JWS Pakistan was one of the pioneer companies to establish Punjab Micro Finance Network (PMFN). Mr. Qazi Shoaib Alam Farooqi (CEO-JWS) was the first person to chair the network. The network is inclusive of organizations from the Punjab province in Pakistan.

6. **Pakistan Centre for philanthropy (PCP):** JWS Pakistan got certification of Pakistan Centre for Philanthropy (PCP) in September, 2010 in recognition of its efforts for alleviating poverty from the country. Since then, JWS Pakistan is an active member of the PCP.

7. **Social Performance Task Force (SPTF):** The SPTF is a global membership organization that works to advance social performance management (SPM) - a management style that puts clients at the center of every decision.

8. **The Smart Campaign:** The smart campaign is a global effort to unite microfinance leaders around a common goal: institute client protection in all that we do – to better serve clients and strengthen the microfinance industry.

9. **Data Check:** Data check caters to the specific needs of the industry, and provides additional fields relating to the individual's identity and loan information. Given that the typical loan period is one year, the payment history is limited to 12 months.

10. **Creative Edge Solutions:** Provides state of the art IT solutions and equipment to JWS Pakistan.

INVESTOR GROUPS

Following are the key international and national investor groups providing required investments and support to JWS Pakistan. Their active financial and moral support has helped us in meeting all the challenges head on.

- **Pakistan Micro finance Investment company (PMIC)**
- **Symbiotic**
- **Allied Bank Limited (ABL)**
- **Habib Bank Limited**



INSURANCE PANEL

JWS Pakistan has been very active towards minimization of risks faced by its staff as well as clients. To meet this objective, company has partnered with several insurance companies to cover the risks of health, income loss and loss of agricultural crops under various products. Following are the insurance companies engaged by JWS Pakistan under its various initiatives;

- **EFU Life Insurance**
- **The United Insurance Company Pakistan Limited.**





Regulator, Auditors & Legal Advisors

Securities & Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) is the financial regulatory agency in Pakistan whose objective is to develop a modern and efficient corporate sector and a capital market based on sound regulatory principles, in order to encourage investment and foster economic growth and prosperity in Pakistan.

JWS Pakistan is licensed from SECP (as non banking finance company) as per the prudent regulations of State Bank of Pakistan for the micro finance organizations. Required regulatory supervision and foresight has been helpful in taking the industry forward.

Rahman Sarfaraz Rahim Iqbal Rafiq & Co.

M/s.Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants (RSRIR) is a leading International Accountancy Firm, engaged in providing wide range of integrated solutions to a large portfolio of clients from a diversified activity segments within and outside Pakistan having Offices in Lahore, Islamabad & Karachi.

M/s.Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants (RSRIR) is a Firm in “A” category of SBP rated Accountancy Firms in Pakistan.

Rahman Sarfraz Rahim Iqbal Rafiq & Co

JWS Pakistan has engaged Azam Chaudhary Law Associates as its legal advisors. The associates in the Firm are specialized in civil, commercial and corporate law, World Trade Organization Agreements, and private and public international law. Additionally, the Firm has provided, and does provide, wider consultancy services in fields of expertise other than law. The Firm has been rendering its expert and specialized services mainly in the domains of Arbitration, Power Generation and Energy Laws, Banking and Financial Services, Corporate Affairs, Intellectual Property, International Trade and WTO Laws, Federal Board of Revenue (FBR) Taxes, IT/Telecommunication Laws, Environmental Laws, Insurance, Customs and Taxation, Franchises, Joint Ventures, Agency Advocacy, Penal Laws / Criminal Justice, Litigation, Trusts and Estates, Privatization, Project Advice, International Organizations and Embassies.

Assessments and Certification

Shore Bank International (SBI) carried out institutional assessment of JWS Pakistan on behalf of Pakistan Poverty Alleviation Fund (PPAF). The objective of the assessment was to critically evaluate capacity of partner organizations for undertaking higher levels of micro finance operations. The assessment carried out by SBI covered the effectiveness of management layers, adequacy of organizational policies, procedures and their actual implementation in the field.

Based on the detailed review, a comprehensive institutional assessment report was prepared by SBI dually appreciating and highlighting effective management control and streamlined business process for undertaking additional responsibilities.

Truelift is a global initiative to renew focus on the pro-poor objective of microfinance. Truelift is a trust mark – in microfinance and beyond – to signify commitment to positive and enduring change for people living in poverty. Truelift awarded certification to JWS Pakistan as “Aspirant” institution under its four milestones on the journey to better serve clients living in poverty.

Gallup Pakistan is the country's most respected opinion and socio economic research organization and is widely quoted in national and international media. Being an affiliate of Gallup International we have close collaboration with Gallup associates all around the globe and enjoy the benefit of drawing upon an international pool of knowledge. Gallup Pakistan conducted impact assessment of JWS Pakistan to measure the effectiveness and efficiency of the Micro Finance Program.

THE PAKISTAN CREDIT RATING AGENCY LIMITED

NL FY - 22 - 153

Mr. Qazi Shoaib Alam Farooqi
CEO
JWS Pakistan
Gujranwala

Confidential
Mar 28, 2022

JWS PAKISTAN
RATINGS | UPDATE

This is with reference to Ratings of JWS Pakistan. PACRA has updated its opinions, following are the respective details.

Opinion	Action	Rating				Outlook	Rating Watch	Opinion Type
		Long Term		Short Term				
		Current	Previous	Current	Previous			
JWS Pakistan	Upgrade	BBB	BBB-	A3	A3	Stable	-	Entity

Yours truly

(Jhangeer Hanif)
COO

The Pakistan Credit Rating Agency Limited [PACRA]
Awami Complex FB-1, Usman Block, New Garden Town
Lahore - 54600, Pakistan

TEL: 92(42)3586 9504
Fax: 92(42)3583 0425
www.pacra.com

Certification No: PCP-R2/2022/555

Seal of NPO Good Practice
Pakistan Centre for Philanthropy

Certifies

JWS PAKISTAN

For demonstrating excellence and leadership as per NPO evaluation standards notified by FBR

Executive Director
Shazia Maqsood Amjad

Securities and Exchange Commission of Pakistan
Licensing and Registration Division
Licensing Department

License No. SECP/LRD/18/JWSP/2022-31 Islamabad, Sep 23, 2022

LICENCE TO CARRY OUT
INVESTMENT FINANCE SERVICES
AS NON-BANKING FINANCE COMPANY

The Securities and Exchange Commission of Pakistan, having considered the application for renewal of license to carry out **Investment Finance Services** submitted by **JWS Pakistan** under rule 5 of the Non-banking Finance Companies (Establishment and Regulation) Rules, 2003, as amended through S.R.O.1002 (1)/2015, (the "Rules") and being satisfied that it would be in the public interest so to do, in exercise of powers conferred by sub rule (9) of rule 5 of the rules, hereby renews the license of **JWS Pakistan** to carry out **Investment Finance Services** subject to the conditions stated herein below or as may be prescribed or imposed hereafter:

i. **JWS Pakistan** shall comply with the Companies Act 2017, Part VIII A of the Companies Ordinance 1984, the Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (as amended or replaced) and any directives, circulars, codes, notifications and guidelines issued by the Commission;

ii. License of Investment Finance Services granted to **JWS Pakistan** by the Securities & Exchange Commission of Pakistan shall be restricted to microfinancing only as a Non-Bank Microfinance Company.

iii. **JWS Pakistan** shall not be allowed to undertake any or all of the activities mentioned in Regulation 29 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 without prior approval of Securities and Exchange Commission of Pakistan; and

iv. The license is valid for a period of three years w.e.f. **October 20, 2022** and shall be renewable every three years as specified in the Rules.

(M. Mubbashar Hassan)
Director (LRD)


98.71
62.78



JWS Pakistan

Financial Statement

Year ended 30 June 2022

AUDITED

Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

72-A, Faisal Town,
Lahore - 54770, Pakistan.

T: +92 42 35160430 - 32
F: +92 42 35160433
E: lahore@rsrir.com
W: www.rsrir.com

INDEPENDENT AUDITOR'S REPORT

To the members of JWS PAKISTAN
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **JWS PAKISTAN** ['the Company'], which comprise the statement of financial position as at **30 June 2022**, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in funds, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in funds and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the surplus, other comprehensive income, the changes in funds and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ['ISAs'] as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan ['the Code'] and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

RSRIR

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If based on the work we have performed, we conclude that there is material misstated of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in funds and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

RSRR

Russell Bedford
taking you further

The engagement partner on the audit resulting in this independent auditor's report is **ZUBAIR IRFAN MALIK.**

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants
Lahore | 30 September 2022

UDIN: AR202210185mn9yYGCFf



JWS PAKISTAN

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees
NON CURRENT ASSETS			
Property and equipment	6	167,367,884	139,671,840
Right-of-use assets	7	-	802,388
Intangible assets	8	399,260	553,620
Micro-credit receivables	9	2,977,713	23,556,045
		170,744,857	164,583,893
CURRENT ASSETS			
Current maturity of micro-credit receivables	9	4,178,089,362	2,553,005,305
Service charges receivables	10	15,749,216	20,857,404
Short term investments	11	188,114,296	132,277,496
Advances, prepayments and other receivables	12	79,417,965	69,954,506
Advance income tax		26,406,883	26,265,222
Derivative financial asset	13	112,320,000	-
Cash and bank balances	14	615,615,490	639,392,354
		5,215,712,212	3,441,752,287
CURRENT LIABILITIES			
Employees retirement benefits	15	(196,385,427)	(137,789,545)
Accrued and other liabilities	16	(5,969,400)	(2,414,333)
Accrued interest	17	(131,283,067)	(67,445,246)
Current portion of non-current liabilities	18	(1,157,428,966)	(1,762,428,802)
		(1,491,066,860)	(1,970,077,726)
NET CURRENT ASSETS		3,724,645,352	1,471,674,561
NON-CURRENT LIABILITIES			
Long term finances	19	(2,983,953,005)	(849,720,503)
Deferred grant	20	-	(922,747)
Lease Liabilities	21	-	-
		(2,983,953,005)	(850,643,250)
NET ASSETS		911,437,204	785,615,204
REPRESENTED BY			
FUNDS AND RESERVES			
Endowment fund	22	-	-
General fund		905,146,104	785,615,204
Special reserve fund	23	6,291,100	-
TOTAL FUNDS AND RESERVES		911,437,204	785,615,204
CONTINGENCIES AND COMMITMENTS	24		
		911,437,204	785,615,204

The annexed notes from 1 to 46 form an integral part of these financial statements.

QAZI SHOAIB ALAM FAROOQI
Chief Executive

Sabiha Shaheen
SABEEHA SHAHEEN
Director

RSRIR
for identification only

JWS PAKISTAN

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2022

	Note	30-Jun-22	30-Jun-21
		Rupees	*Rupees*
Financial income			
Service charges on micro-credit loans		1,305,942,088	867,528,972
Loan processing fee		75,193,575	-
Total financial income		1,381,135,663	867,528,972
Finance cost	25	435,653,099	271,541,056
Gross financial margin		945,482,564	595,987,888
Impairment allowance for expected credit losses	37.2	124,168,234	75,013,981
Net financial margin		821,314,330	520,973,905
Administrative expenses	26	123,570,626	78,338,450
Program cost	27	580,375,334	390,621,214
		703,945,860	468,959,664
Operating surplus for the year		117,368,470	52,014,241
Other income	28	157,737,517	50,140,854
Other expenses	29	149,283,987	26,234,750
Surplus before taxation		125,822,000	75,920,345
Taxation	30	-	(1,422,306)
Net surplus		125,822,000	74,498,039
Operational Self Sufficiency Ratio	31	122%	113%

The annexed notes from 1 to 46 form an integral part of these financial statements.

QAZI SHOAIB ALAM FAROOQI
Chief Executive

Sabiha Shaheen
SABEEHA SHAHEEN
Director

RSRIR
for identification only

JWS PAKISTAN

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	30-Jun-22	30-Jun-21
	Rupees	*Rupees*
Other comprehensive income	-	-
Net surplus	125,822,000	74,498,039
Total comprehensive income	125,822,000	74,498,039

The annexed notes from 1 to 46 form an integral part of these financial statements.

QAZI SHOAIB ALAM FAROOQI
Chief Executive

Sabiha Shaheen
SABEEHA SHAHEEN
Director

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JWS PAKISTAN

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2022

	Endowment fund	General fund	Special reserve fund	Total funds
	Rupees	*Rupees*	*Rupees*	*Rupees*
Balance as at 01 July 2020	133,500,000	577,617,165	-	711,117,165
Comprehensive income				
Surplus for the year	-	74,498,039	-	74,498,039
Other comprehensive income	-	-	-	-
Total comprehensive income	-	74,498,039	-	74,498,039
Other transactions	-	-		
Transfer from endowment fund to general fund	(133,500,000)	133,500,000	-	-
Balance as at 30 June 2021	-	785,615,204	-	785,615,204
Balance as at 01 July 2021	-	**785,615,204**	-	**785,615,204**
Comprehensive income				
Surplus for the year	-	**125,822,000**	-	**125,822,000**
Other comprehensive income	-	-	-	-
Total comprehensive income	-	**125,822,000**	-	**125,822,000**
Other transactions				
Transfer from general fund to special reserve fund	-	**(6,291,100)**	**6,291,100**	-
Balance as at 30 June 2022	-	**905,146,104**	**6,291,100**	**911,437,204**

The annexed notes from 1 to 46 form an integral part of these financial statements.

QAZI SHOAIB ALAM FAROOQI
Chief Executive

Sabiha Shaheen
SABEEHA SHAHEEN
Director

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JWS PAKISTAN

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	30-Jun-22	30-Jun-21
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	32	(1,005,974,935)	(363,103,890)
Payments for:			
Employees retirement benefits		(10,540,120)	(9,521,083)
Interest on long term finances		(325,345,012)	(287,261,862)
Interest on lease liabilities		(44,149)	(534,341)
Income tax		(140,661)	(1,648,457)
Net cash used in operating activities		(1,342,044,877)	(662,069,633)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(50,864,301)	(96,543,842)
Proceeds from disposal of property and equipment		950,000	1,065,000
Purchase of intangible assets		-	(468,000)
Short term investments made		(264,677,508)	(502,277,495)
Short term investments redeemed		208,840,708	370,000,000
Return on short term investments		16,345,321	7,774,494
Interest received		12,511,078	13,104,851
Net cash used in investing activities		(76,894,702)	(207,344,993)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances obtained		3,016,125,000	930,852,000
Repayment of long term finances		(1,620,262,429)	(488,547,750)
Payment of lease liabilities		(699,856)	(3,156,062)
Net cash generated from financing activities		1,395,162,715	439,148,188
NET DECREASE IN CASH AND CASH EQUIVALENTS		(23,776,864)	(430,265,438)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		639,392,354	1,069,658,792
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		615,615,490	639,392,354

The annexed notes from 1 to 46 form an integral part of these financial statements.

QAZI SHOAIB ALAM FAROOQI
Chief Executive

Sabiha Shaheen
SABEEHA SHAHEEN
Director

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