



Jan – March 2018

Kashf Quarterly Report

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Highlights for the Quarter

Kashf is the largest provider of micro-insurance in Pakistan with over 25.5% of the market share

"All GESA activities successfully rolled out again across the network"

Kashf has 1,572,210 unique individuals actively insured in its micro-insurance program as of March 2018

Total Loans Disbursed in the Quarter were 113,237

"Kashf's Mini drama series Aakhri Station successfully aired on ARY Digital with overwhelming response from critics and audience alike"

INSITUTIONAL ACHIEVEMENTS SNAPSHOT (MARCH 2018)

Active Loans 381,537

Outstanding Portfolio
PKR 9.80 Billion

Cumulative loans
disbursed
3.56 million

Cumulative Amount
disbursed
PKR 77.36 Billion

No. of Low Cost Private
Schools (LCPS) financed
2,547

Students Impacted
under LCPS
891,450

Number of school
owners trained
4,922

Number of LCPS
teachers trained
13,969

Lives covered under
health insurance
1,517,399

Cumulative BIL
Graduates
27,760

Cumulative financial
education participants
1,486,924

Cumulative Gender
training participants:
184,164

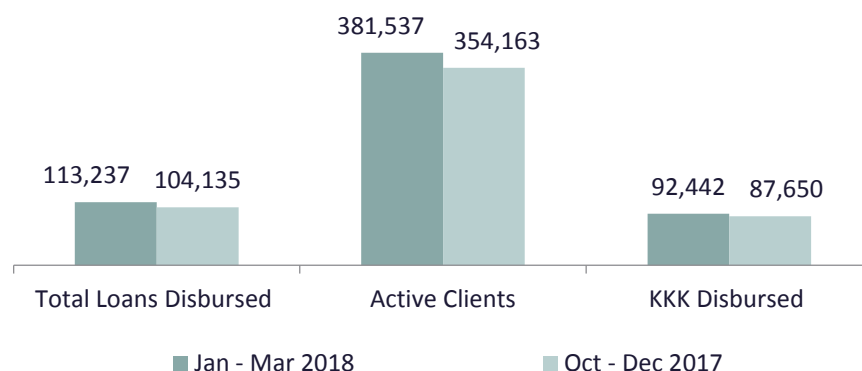
Staff Headcount
2,872

Staff Attrition
4.5%



OPERATIONAL PERFORMANCE

Kashf Foundation's active clientele at the end of March 2018 stood at 381,537 clients (compared to 354,163 clients at the previous quarter end). While there has been an increase of 7.73% in the active clients, there has been an increase in the outstanding portfolio from PKR 8.93 billion in Dec 2017 to PKR 9.80 billion in March 2018. The amount disbursed in this quarter has been PKR 4.80 billion compared to PKR 4.40 billion in the previous quarter.



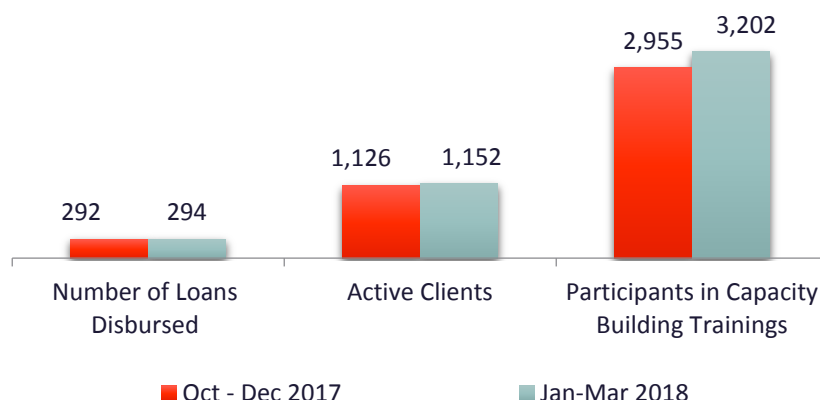
	Target Jan-Mar 18	Achievement Jan-Mar 18	Achievement Oct-Dec 17
Kashf Karobar Karza	93,056	92,442	87,650
Kashf Murabaha	3,623	3,548	3,304
Kashf School Sarmaya Loans	265	294	292
Kashf Khudmukhtar Sarmaya	690	691	659
Kashf Easy Loan	15,156	15,958	12,005
Kashf Maweshi Karza	300	263	225
Kashf Sahulat Karza	0	41	
Total Loans Disbursed	113,090	113,237	104,135

In the current quarter Kashf disbursed 92,442 Kashf Karobar Karza Loans (KKK) and 3,548 Kashf Murabaha loans (KM). KKK continues to be the primary lending product for Kashf with disbursements of over PKR 4.30 billion. Kashf Murabaha loans worth over PKR 140 million were disbursed in Abbottabad, Noshera, Mansehra, Mardan and Haripur districts of KPK. The average disbursement size witnessed a decrease from PKR 42,231 to PKR 41,838 at the end of the quarter. Kashf's loan size is determined by an extensive business and household appraisal of clients under Kashf's lending methodology which means that the loan is approved, based on the cash-flows.

In October 2016, Kashf introduced the Kashf Easy Loan, which is essentially a loan product specially designed to cater to urgent capital of low-income households. The loan amount is PKR 15,000 and is currently being offered in the province of Punjab. At the end of March 2018, active clients for Kashf's Easy Loan product stood at 46,296 clients. 15,958 loans have been disbursed in the current quarter in comparison to 12,005 loans in the previous quarter.

KASHF EDUCATION FINANCE (KASHF SCHOOL SARMAYA)

In the current quarter, Kashf disbursed 294 loans to low-cost private schools, trained 752 school owners in capacity building trainings, and trained 2,450 teachers in teacher training and pedagogy skills trainings. Moreover, the specialized Financial Education for Youth program, which is implemented in all Kashf supported schools, was undertaken with 5,141 students. The active clients in the program are 1,152 till March, 2018. The info-graphic below shows the cumulative numbers and outcomes from the program.



Kashf Education Finance Cumulative Outcomes (March 2018)



Over 2,547 Low-Cost Private Schools Served



Over 4,922 school owners trained in better school management



Over 13,969 Teachers Trained in Better teaching practices



891,450 Students Impacted through intervention



Over 176,162 Students Impacted through Financial Education Trainings



These numbers represent outcomes from schools that have completed their loan cycle with Kashf



Impact on Enrollments



71% of schools saw an increase in enrollments



Average increase in enrollments was 28 students per school

Impact on Learning Environment

7% increase in schools where lesson plans are used



4% increase in schools using time-table use in classes



23% increase in schools with library corners



8% increase in schools that display students work in class

Impact on School Environment

15% increase in schools with first aid boxes available



17% increase in schools with visible mission & vision



15% increase in schools with emergency exits



8% more schools have an opinion box

KASHF MICRO-HEALTH INSURANCE

Kashf's unique pro-women family health insurance product is covering a total of 1,517,399 individuals. Kashf's health insurance product provides coverage to the entire family with hospitalization coverage for up to PKR 30,000 per family member. As mentioned earlier, Kashf is the largest provider of micro-insurance in the sector, and has been one of the fastest growing providers in terms of outreach. In the current quarter, under the health insurance program, 398,959 individuals have been insured (compared to 383,441 in the last quarter).

The number of unique lives insured by Kashf Foundation under its life and health insurance program stood at 1,572,910 at the end of March 2018.



	No. of Health Camps	Participants
Oct-Dec	38	3,775
Jan-Mar	48	69,98



"When the doctor diagnosed me with Typhoid and Malaria and I had to undergo treatment for a month, Kashf's health insurance provided me the ease of not having to worry about the expenses and comfortably get my treatment done. The facility at the panel hospital was quite satisfactory and they dealt us with utmost respect. Had it not been for this insurance we would have had to sell some of our assets to cover my health expenses," asserts client Pathani Mai from Layyah.

FINANCIAL SUSTAINABILITY

The overall liquidity has decreased during the current quarter, mainly because Kashf has received inflow of USD 5 million from Proparco while Kashf has made debt repayments worth PKR 721 million. Kashf's overall consolidated PAR stood at around 0.28% at the end of this quarter. The weighted average cost of funds for this quarter has been 9.48%, with COF for commercial loans at 9.55% and PPAF loans at 8%.

Currently, there is an available pool of PKR. 1,330 million and an expected inflow of PKR 1.7 billion in the next quarter (PKR 300 million from BOP, PKR 400 million from Bank Alfalah Ltd, and PKR 500 million from FMO and PKR 500 million from BIB) to support on-going cash-flow needs. Kashf expects to raise PKR 2.0 billion from local and foreign commercial sources in the next quarter, along with expanding the outreach to several first and second tier banks. This will be particularly contingent on being able to provide assets to back up these commercial loans, and to improving the debt to equity ratios.

		Jan-Mar 18	Oct-Dec 17
Liquidity Ratios	Cash to Total Assets	9.30%	10.50%
	Short Term Investments & Cash to Total Assets	13.90%	10.19%
	Return on Investments	6.86%	6.86%
	Cash to Current Liabilities	28.00%	37.00%

The table below shows the income level for the organization:

		Jan-Mar 18	Oct-Dec 17
Income From Financial Services	Service Charge	866,755,252	800,238,457
	Investments	35,228,467	43,008,930
	Other Income	20,553,219	15,634,698
	Total Income	922,536,938	858,882,085

There are several aspects that impact the overall financial performance of the organization including inflation, pricing, cost of funds, portfolio quality, BDO productivity and average loan size disbursed. These indicators have always played a very strategic role in strengthening Kashf's financial performance.

EFFICIENCY RATIOS

Kashf has been continuously working towards ensuring greater efficiency; the organization has been extensively focusing on timely liquidity management and access to capital through a focus on building the organization's equity. The table below shows the key efficiency ratios for Kashf.

	Mar 2018	Dec 2017
Administrative Efficiency	17.44%	17.83%
Operational Self Sufficiency (OSS)	135.0%	134.0%
Financial Self Sufficiency (FSS)	131.0%	129.0%

The administrative efficiency ratio, which maps the resources used to build a quality portfolio, has shown improvement, with the ratio standing at 17.44% at the end of this quarter, mainly pertaining to growth in portfolio by 10.0% in this quarter. The OSS has shown an increasing trend; with the ratio standing at 135.0% in March 2018 (compared to 134.0% in December 2017); whereas the FSS has increased to 131.0% (compared to 131.0% in December 2017).

GENDER EMPOWERMENT AND SOCIAL ADVOCACY (GESA)

After the successful culmination of the Government of Canada funded project in November 2016, the Mini GESA Programme was initiated in January 2017 under which GESA was focusing its interventions in 5 priority districts. From March 2018 the GESA programme activities have once again begun implementation all across the network where Systemized Financial Education, Good parenting, Gender Trainings, and Business Incubation Lab Program trainings are being delivered. Moreover, Vocational Trainings are being provided in Sialkot (Pasrur), Khairpur, Gujranwala, Gujrat, Kasur, Nankana Sahib and Lahore Districts under projects supported by Coca-Cola, OMV and Punjab Skills development Fund respectively. Kashf is also providing educational services through 4 centers for Adolescent & Adult Literacy and Training in Thatta, Badin and Sujawal districts with the support of Sindh Education Foundation. Currently, 785 students are enrolled in this program.



1,103 clients have been trained under the Systemized Financial Education and 873 participants under Good parenting



16 performances with 1,600 participants conducted under Kashf Theatre Programme



250 clients trained in Business Incubation Lab Program trainings



1,670 participants trained in Gender Trainings

GESA Program Updates

Staff Capacity Building Trainings by GESA

GESA has conducted 22 field level trainings with 550 staff members on “Change in behavior and Dignity at Workplace”

Social Theatre

In this quarter 16 theatre performances in the field have been conducted with an outreach of 1600 participants on the theme of “Udaari”.

Business Incubation Labs

Currently 15 BILs are providing business support services to participating female clients. In the current quarter 250 women micro-entrepreneurs have been inducted and are under training from the Business Incubation Lab program. These participants have been trained on business management, marketing and networking and product innovation techniques. These entrepreneurs have also been taken on market visits to local market places to help them understand various marketing techniques employed by vendors.

Vocational Skills Training Program

Lahore

In this quarter, 35 students undergoing Beautician training have graduated from the Kashf Vocational Training School in Lahore. 50 students are currently enrolled in the program. Moreover, 43 students have been trained for the 3 months course of “Fashion Wear” in Lahore, which is being supported by the Punjab Skills Development Fund.

Sialkot

With support from the Coca-Cola Company, Kashf Foundation has been able to set up 5 training centers in Pasrur for football stitching trainings. 206 women have currently been enrolled in this program. These Trainees are linked with the football industry for the employability.

Khairpur

With OMV’s support, Kashf Foundation has set up 3 training centers in Khairpur, Ranipur, and Chundiko for stitching and beautician trades. Currently, 155 students are enrolled in these trainings. Through these trainings, participants have also learnt marketing skills which helped them improve their employability and enhance their ability to set/run small businesses.

Gujranwala & Gujrat

With the support of Punjab Skills development Fund, Kashf has set up 8 Centers in Gujranwala and Gujrat Districts, where 336 trainees have been enrolled for the 2nd batch of football stitching. The graduated trainees are being linked with the football industry for employability.

Kasur & Nankana

With the support of Punjab Skills development Fund, Kashf has set up 8 Centers in Kasur and Nankana Districts, where 568 trainees have been enrolled for the trades of Hand Embroidery and Ada Work.

Child Sexual Abuse Training Program

90 schools with 363 teachers have been provided child safeguard awareness training in Kasur and Lahore areas. 14 social theatre performances have also been conducted in these areas on child safeguarding.

MEDIA & COMMUNICATIONS

Kashf's mini-series titled Aakhri Station was successfully aired in this quarter on ARY Digital and received an overwhelming response from the masses and media critics alike for raising social issues related to women. The seven episode mini-series was a first of its kind in Pakistan and explored issues of mental health, HIV, forced prostitution, marital abuse and much more. From the onset, Aakhri Station was widely appreciated by the masses for not only challenging and questioning patriarchal norms but tackling the plots and storyline with impeccable direction, acting, technical aspects and an engaging script. It received outstanding reviews throughout its airing and it took social media by storm with Aakhri Station hashtag (#AakhriStation) trending on twitter. Below are a few tweets and reviews on the mini-series:



شنيایا @AfghanJalebix_ · Mar 28

The Last Episode Of #AakhriStation Was Satisfying To The Core.

Satisfying To See That All Of Those Women Had Found A Piece Of Their Heaven.

A Beautiful Series, From Finish To Conclusion. ❤️

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Noor Khalid @noorkhalid_ · Apr 3

The last episode of #aakhristation gave me hope. The problems you are facing right now will come to an end, being patient is really important.

💬 🔄 ❤️ 2 ✉

https://www.mangobaaz.com/aakhri-station-last-review/amp/?__twitter_impression=true

https://desirantsnraves.com/2018/02/21/aakhri-station-episode-review/amp/?__twitter_impression=true

Moreover, Rehaii radio campaign produced by Kashf Foundation successfully completed airing on FM 101 in 5 cities of Pakistan namely Lahore, Islamabad, Faisalabad, Multan & Sialkot. Hundreds of listeners tuned in and online streaming of the first few episodes are available on Soundcloud - <https://soundcloud.com/kashffoundation> .

Further, new and exciting media projects are in the pipeline for 2018.

HUMAN RESOURCE MANAGEMENT & DEVELOPMENT

Key HR Trends

- Total staff at the organizational level: 2,359
- Female Staff ratio at the organizational level: 50%.
- Total Hiring in Quarter: 222 out of which 126 are female.
- Overall Employee Turnover: 4.5% (88 resignations & 6 terminations)
- 48% of Kashf staff report to a female boss.

New HR Initiatives in the quarter	Kashf Internal and External Trainings	Employee Engagement Activities
<p>New Recognition Programs:</p> <p>Lunch Vouchers for Policy Champs: 5 branches were provided these Lunch vouchers who were declared policy champions twice in last 6 months.</p>	Orientation with 200 New Joiners	<p>Ongoing Initiatives:</p> <p>a)Recognition: Peer recognition for AMs, Employee of the month(HO, Field , Support functions), 5 star letters to 4 & 5 star branches.</p> <p>b)Motivation: HR Newsletters(2), Star performers ,Tea with HR(15 staff)</p> <p>c)Staff feedback: Exit interviews, HR Helpline report(207 cases),Late closing survey(90 branches)</p> <p>d)Staff Engagement: Telephonic Engagement with trainee staff(Djkot, Oghi, Gujranwala-02 area), Maternity calls(17 females) ,Paternity calls (5 males)</p>
<p>AM Lunch out with HO Management: 3 Lunches conducted in 3 months with AMs of the month.</p>	Branch Management Leadership Training with 225 Branch Managers	<p>WOW-Women on Wheels Policy: The WOW drive continues under the revised policy from June 2017. There are currently 6 in field scooty users (Lahore Reg- 5,Jhang-1).</p>
<p>Kashf Champions Club 2018: Recognized 108 staff across Kashf with highest mid-year scores in a centrally held event.</p>	Tablet Training with 644 Staff including new branches, KPK and Sindh region	<p>Day Care Facility in the field: Day care facilities have been set up in 15 branches by the end of March.</p>
<p>Lunch with MD: 2 five star branches were called for Lunch with MD.</p>	Cashless Training with 111 staff including Bahawalpur and Sindh Region	<p>HR Field Visits: 30 field visits have been done with the major objective of Expansion Hiring, Day care facility visits and WOW Training programs.</p>
<p>Tablet Celebration at HO: Celebration on the successful implementation of Tablets at HO with IT Team, AMs and pilot branches.</p>	International Leadership Training- Thailand for Manager Accounts and Deputy Manager Compliance	<p>Climate Survey 2017: The staff feedback on management, work environment, HR dimensions and employee engagement levels were gauged through the survey. We covered 80 HO staff and 1329 field staff</p>
	Retreat with ARMs/RMs and Ops management in PC Bhurban,muree	<p>FMFB Exposure Visit: A group of 18 people visited FMFB HO in Islamabad followed by the exposure to the branches in Gilgit and Hunza.</p>
	Three external trainings for Audit, IT and HR	

Kashf Quarterly Report

Jan-March 2018

	Jan-Mar 2018		Oct-Dec 2017	
Total Permanent Staff	2133		1991	
Total HO Staff	94		92	
Total Field Staff	2039		1899	
Gender	Male	Female	Male	Female
Number	1078	1055	1013	1013
Total Staff (Trainee + Permanent)	2359		2428	
Total Staff (HO)	96		97	
Total Staff (Field)	2263		2331	
Gender (Trainee + Permanent)	Male	Female	Female	Female
Ratio	50%	50%	50%	50%
Number	1194	1165	1207	1207
Total Staff Recruited	222		471	
Total Staff Recruited – HO	4		8	
Total Staff Recruited – Field	218		463	
Gender Recruited Staff	Male	Female	Female	Female
Number	96	126	203	203
Turnover (Quarterly)	Voluntary	Involuntary	Voluntary	Involuntary
Number	88	6	67	67
Overall Turnover	4.5%		4%	
Number	94		79	

