

# BEYOND THE HORIZON



ANNUAL  
REPORT  
**2024**

**KASHF  
FOUNDATION**





A COMPANY SET UP UNDER SECTION 42  
OF THE COMPANIES ACT, 2017

**Chief Editor: Roshaneh Zafar**

**Contributing Writers: Roshaneh Zafar &**

**Anaum Ather Rana**

**Editors: Amna Kausar & Maham Kamran**

**Photographs: Hassan Kausar**

**Infographics: Amna Nasir**

# CONTENTS

About Kashf Foundation	04
Kashf Foundation Vision, Mission & Core Values	06
Chairperson's Message	08
Managing Director's Message	10
Board of Directors	12
Corporate Information	16
Geographical Outreach	17
Organizational Snapshot 2023-24	18
Year-on-Year Operational Performance	20
Year-on-Year Financial Performance	22





Human Resources Dashboard	24
Holistic Approach to Poverty	26
Creating an Economic Agency through Women-Centered Micro Loans	28
Enhancing Resilience through Gender Inclusive Micro-Insurance	34
Investing in the Value Chain of Women Entrepreneurship	40
Removing Obstacles to Health Inequalities for Women	48
Advocating for Gender Equality through Sustainable Change	56
Messages from Our Partners	62
Kashf Supporters	65
Audited Financial Statements 30 June 2024	66

# ABOUT KASHF FOUNDATION

Kashf Foundation is registered as a Non-Banking Microfinance Company regulated by the Securities and Exchange Commission of Pakistan. Kashf was established in 1996 as Pakistan's first specialized microfinance institution. Over the years, Kashf has successfully carved out a distinct and unique niche for itself in the microfinance sector, both domestically and internationally, by offering a comprehensive suite of holistic, innovative, and client-centric products and services to low-income households, particularly women. Kashf provides credit appraisal-backed individual loans to its clients, alongside other non-financial services, to create a transformative impact at the household level. Kashf believes in creating an enabling environment for women micro-entrepreneurs and is committed to developing products and services with a gender-intelligent lens, while at the same time leveraging lessons from successful models worldwide.

Kashf's 5 spheres of intervention include:

## Financial Services

# 01

- Credit for Business
- Credit for Livestock
- Credit for Consumption Smoothing
- Credit for Emergency Needs
- Shariah Compliant Credit Products
- Credit for Construction/Renovation
- Credit for Low Cost Private Schools

## Safety Nets

# 02

- Credit for Life Insurance
- Comprehensive Inpatient Health Insurance
- Hospital Cash Health Insurance
- Livestock Insurance
- Micro pension Scheme

## Capacity Building

# 03

- Financial Education Trainings
- Business Development Trainings
- Vocational Skills Trainings
- Teacher's Trainings

## Health And Well Being

# 04

- Maternal and Reproductive Health Trainings
- Health Camps
- Kashf's Telehealth Clinics

## Social Advocacy

# 05

- Gender Councils
- Community Theaters
- Public Service Campaigns
- Drama serial for social change

## OUR VISION

Financial services for all in a poverty free and gender equitable society.

## OUR MISSION

Serving all with dignity by providing high quality and sustainable microfinance services to low-income families and micro-entrepreneurs to enhance financial capabilities, alleviate household poverty and enable all, especially women, to become active agents of social and economic change.





# CORE VALUES

## Commitment to Service With Integrity and Responsibility:



- Kashf ensures that all interactions with clients and amongst staff are based on honesty and mutual dignity with the aim of espousing integrity across the board and meeting all promises as per commitments.

## Commitment to Innovation in Products & Processes:



- Kashf believes in learning, adapting and growing thereby responding positively to change.

## Commitment to Merit, Diversity, Dignity of All, & Team-Work:



- Kashf believes in team work and dignity at the workplace which includes mutual respect and care for each other along with ensuring equal opportunities and a fair and transparent appraisal mechanism with access to adequate re-dressal channels.

## Commitment To Social and Environmental Responsibility



- Kashf Foundation is committed to a long-term sustainable approach to caring for and safeguarding the environment. Kashf constantly endeavors to balance environmental and social responsibility with its business goals.

## Commitment to Transparency and Fiduciary Responsibility



- Kashf Foundation ensures the highest level of quality in all outputs with the aim of being market leaders. Kashf ensures customer satisfaction through a respectful and professional attitude and aims towards a problem solving approach in all actions. Kashf conducts all its activities with complete transparency and high level of accountability for all its business practices.

## Commitment To Institutional & Client Level Sustainability:



- Kashf Foundation believes in the long-term sustainability of both the organization and clients thereby promoting self-sufficiency through continuous improvements in processes, products and services.

# CHAIRPERSON'S MESSAGE

To the Kashf Foundation Community,

At Kashf, progress isn't just measured in numbers – it's measured in the stories of resilience, the small victories that spark larger transformations. While 2023 tested Pakistan in unprecedented ways, from rising inflation to political uncertainty, it also reinforced our belief that investing in people – particularly women – is the key to lasting change.

This year, Kashf's work directly aligned with the Sustainable Development Goals (SDGs), ensuring that our impact is felt where it matters most – on the ground, where lives are changed. Empowering women to lead businesses has a ripple effect: when a woman succeeds, her community thrives. While Pakistan has been ranked 145 out of 146 countries in the Global Gender Gap Index Report 2024, we believe this indicates a need for urgent investment! But bridging the gender gap requires more than just financial inclusion – it demands targeted efforts to ensure that women have the skills, resources, and opportunities to fully participate in the economy.

Our focus on reducing the gender gap through targeted investment in women's entrepreneurship has been a cornerstone of our approach. The efforts to address this are evident in our support of women entrepreneurs across Pakistan, providing not just financial services but also training, mentorship, and access to markets. This is how we have contributed to SDG 1: No Poverty through our expanded



financial services giving women and low-income households the resources to build sustainable livelihoods.

Beyond financial inclusion, our focus on SDG 5: Gender Equality has been a driving force behind our mission. Empowering women to start and scale their businesses doesn't just improve their lives – it lifts entire communities.

One of our proudest achievements this year was in SDG 3: Good Health and Well-being. Through the launch of health clinics and preventive care programs, we've provided critical healthcare access to underserved communities, helping families reduce out-of-pocket expenses and improve their overall well-being. Our work on SDG 4: Quality Education continues to provide young girls with

education through our school finance program providing them with access to education and ensuring they have the tools to build a brighter future.

These are not just abstract goals – they represent the very real changes we see in the lives of our clients every day. Whether it's a mother starting her own business to provide for her family or a child attending school for the first time, Kashf's approach to human development is creating pathways out of poverty, one step at a time.

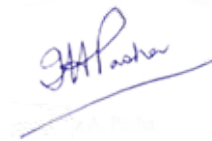
Looking ahead, we are also focusing on SDG 7: Affordable and Clean Energy. Our upcoming Solar Micro-Grid Scheme is not just about bringing power to homes; it's about creating economic opportunities, particularly for women who can leverage clean energy for small businesses. Through this and our ongoing commitment to SDG 10: Reduced Inequalities, we are trying to build a more equitable future for all.

On the organizational front, Kashf has continued to perform exceptionally well, strengthening our credit rating and demonstrating financial resilience with 121% Operational Self-Sufficiency and 110.39% Financial Self-Sufficiency. We disbursed 901,135 loans totaling Rs.

49.85 billion this year – numbers that reflect the scale of our impact, but more importantly, the lives we've touched.

As we move forward, our vision remains clear: to invest in human potential; and to remain committed to the SDGs. So, let's celebrate the progress, yes – but let's also keep our eyes on the horizon. There are more ladders to build, more lives to touch, and more dreams to make possible.

Sincerely,



**Dr. Hafiz A. Pasha**  
**Chairperson**  
**Kashf Foundation**

# MANAGING DIRECTOR'S MESSAGE

Dear Friends and Supporters of Kashf,

2024 was a year that challenged almost every household in Pakistan; but as the saying goes, 'behind every dark cloud, there is a silver lining.' At Kashf, we not only survived but thrived. We expanded to 778,970 clients across 382 branches in 69 districts, a testament to the resilience of micro-businesses and the strength of our model. High inflation, elevated interest rates, political instability, and lingering effects of the floods in 2022 tested us, but our clients, partners, and team showed remarkable adaptability.

In fact, Kashf stands today as the largest provider of microfinance for women and micro-insurance in Pakistan. In the midst of turmoil, stories like Shabnam Baji's bloom quietly. Five years ago, she started a small food packaging business with Kashf's support. What began with spices and dry fruits has grown into a thriving enterprise expanding to balloons and hair clips. Despite rising costs, she's kept her business alive and her daughter in school. Now, she dreams of buying a sewing machine to expand further. This is resilience at its finest - quiet yet transformative.

Empowering women has always been at the core of our mission. But empowerment goes beyond providing loans - it's about offering a comprehensive support system that touches on five critical pillars: economic empowerment, capacity building, social safety nets, women's well-being, and changing mindsets.



The first pillar, economic empowerment, remains foundational. This year, we introduced the Khushal Mustaqbil Plan (KMP), a first-of-its-kind micro-pension scheme, which has already enrolled around 5,000 women providing them with a secure way to plan the future. As a leader in micro-health insurance, we are providing critical protection against health shocks, holding a market-leading 40% share and ensuring long-term financial security for our clients, with 70% of claims being availed by women.

The second pillar is capacity building. Through our financial literacy programs, we have reached over 1.7 million women. Additionally, more than 42,000 women have graduated from our business development programs, equipping them with the skills to create and grow their businesses. These women aren't just

participants – they are leading their communities forward. By building financial management and business skills, we are helping women build the confidence and capability to drive change in their households and communities.

Our third pillar focuses on social safety nets, which are equally critical. This year, we launched our first health clinic in Sindh, providing affordable healthcare to vulnerable households in order to create and sustain conditions that support health and justice in our communities. Our health insurance programs now cover 2.94 million lives, giving families access to necessary care while reducing the financial burden of medical expenses. This effort is about more than just services; it's about building a robust support system that protects low-income households from unexpected medical costs and overcomes critical social and economic barriers women face in accessing health care.

The fourth pillar, women's well-being, and health, extends beyond insurance. Through our maternal and reproductive health training, Kashf was able to reach out to 67,000 women and 4,000 men this year. Preventive care remains our focus; and with our newly established health clinic, we are committed to reducing health disparities which overwhelmingly impact women in underserved communities.

Finally, the fifth pillar is changing mindsets – perhaps the most intangible but vital aspect of our work. Through our Social Theatre program, we conducted around 2000 performances engaging nearly 200,000 participants. Our drama series, 'Zard Patton Ka Bun,' has sparked discussions on population planning and women's health, aiming to shift not just individual perspectives but community attitudes.

Looking ahead, we're not standing still. As climate shocks continue to disproportionately affect low-income households, Kashf is leading the charge with solar energy solutions and financial products designed to reduce energy poverty. We are expanding our micro-equity programs for youth entrepreneurs, nurturing the next generation of innovators. We also recognize the importance of women's mobility; new financial products will give women to access fresh growth opportunities.

As we roll out the Khushal Mustaqbil Plan across our entire network, the demand is clear. We will meet it with the same grit and determination that has driven us to serve nearly 800,000 clients across Pakistan.

In closing, I want to express my deepest gratitude to our board, our dedicated team, and most importantly, our clients. They are not just beneficiaries; they are the driving force behind every success at Kashf. To our partners, investors, and donors, your continued trust and collaboration are the backbone of our progress. Together, we're not just talking about financial inclusion – we're making it happen, one woman at a time.

Best Regards,



Roshaneh Zafar  
Managing Director  
Kashf Foundation

# BOARD OF DIRECTORS

**DR. HAFIZ A. PASHA**



**Chair Person  
Retired Civil Servant and  
Economist**

Dr. Hafiz A. Pasha is a distinguished retired civil servant and leading economist. He holds a Ph.D. in Economics from Stanford University and an M.A. in Economics from the University of Cambridge, U.K. Throughout his career, he has held several prominent national and international positions, including Advisor to the Prime Minister, Federal Minister for Finance and Economic Affairs, Founder Chairman of the Pakistan Poverty Alleviation Fund, Vice Chancellor/President of the University of Karachi, Director of the Institute of Business Administration, Assistant Administrator at the UNDP, Regional Director of the Bureau for Asia and the Pacific at the UNDP, Member of the Board of Governors for the World Bank, and Managing Director of the Institute of Public Policy (IPP).

**MS. RABIA KHAN**



**Non-Executive Director  
Gender Specialist**

Ms. Rabia Khan is a lawyer by profession and holds a Master's Degree in Public Policy and Management from Carnegie Mellon University, USA. Ms. Khan has worked in the field of Gender and Development for many years with the Canadian International Development Agency (CIDA) and has also worked with the International Union for the Conservation of Nature (IUCN) on Sustainable Development. Ms. Khan retired from Development Consulting in 2018 and currently co-manages an organic farm which includes production, marketing, and sales of organic produce. Since 2004, Ms. Khan has served as Director of Kaarvan Crafts Foundation, Lahore.

**MS. FATIMA ASAD KHAN**

**Non-Executive Director  
Chief Executive Officer  
Abacus Consulting**

Ms. Fatima Asad Khan is the CEO and a Board member of Abacus Consulting. With over 24 years of professional experience, she has delivered progressive solutions in Corporate Governance, Digital Transformation, Strategic Change, and Human Capital Management across multiple sectors and industries. Her leadership journey includes serving on various boards as an independent director, including Lahore University of Management Sciences (LUMS), Faysal Bank, Kashf Foundation, Bata Pakistan, and Kaarvan Crafts. An MBA graduate from LUMS, she also holds a Corporate Director Certification from Harvard Business School. Additionally, she is a member of the Harvard Corporate Directors, Diversity and Inclusion Hub Leadership Council, and Women Executives on Boards forums.

**MR. ARIF MASUD MIRZA**

**Non-Executive Director  
Chartered Accountant**

Arif Masud Mirza is a Chartered Accountant who has been serving as ACCA MENASA's Regional Head of Policy for the Association of Chartered Certified Accountants since 2014. He has held several pivotal roles throughout his career, including serving as ACCA Pakistan's Country Head and as the Finance Manager and Company Secretary at First International Investment Bank Ltd. His extensive background also includes positions such as a technical advisor for the Global Reporting Initiative (GRI) South Asia Advisory Group and a member of the Multi-stakeholder Steering Committee for the implementation of UN Sustainable Development Goals (SDGs) in companies.

**MS. SADIA KHAN**

**Non-Executive Director  
Fintech Expert**

Ms. Sadia Khan is a seasoned fintech executive with over twenty years of industry experience, including 12 years in C-suite roles, most recently serving as CEO of AutoSoft Dynamics. She has successfully led several core banking and lending system migrations for institutions such as Faysal Bank, Al Baraka Bank, Sindh Bank, and PMRC, as well as mobile wallet implementations for Finca Microfinance Bank and Allied Bank. Additionally, she has overseen treasury system installations at the Bank of Punjab, the National Bank of Pakistan, and Askari Bank. Before joining AutoSoft, Ms. Khan worked with Deutsche Bank in New York, NY. She holds a Bachelor's degree in Computer Science from Rutgers, The State University of New Jersey, and currently serves as a member of the Board of Naseeb Online Services (Pvt.) Ltd.

**MS. NAVID SHAHZAD**

**Non-Executive Director  
Media Figure and Educationist**

Navid Shahzad, a prominent figure in Pakistani media, holds a Master's degree from Government College, Lahore, and a Bachelor's degree from Kinnaird College for Women, Lahore, both in English Literature. Beyond her media work, Ms. Shahzad is actively involved in social causes, particularly women's rights and education, collaborating with various NGOs. She also contributes to the field of education as Dean of the School of Liberal Arts at Beaconhouse National University and as a visiting faculty member at LUMS and Lahore College for Women. Her contributions to the media industry have earned her several prestigious awards, including the Fatima Jinnah Award for Performing Arts (2014), the Pride of Performance (2003), a Gold Medal from the Ministry of Information (1989), and a Silver Medal from Pakistan Television (1977).

**SHAHZAD DADA**

**Non-Executive Director  
Former President & CEO at  
United Bank Limited**

Mr. Shazad G. Dada is a highly esteemed banking and capital markets professional with over 30 years of experience in the United States, the Middle East, and Pakistan. He most recently served as President and CEO of United Bank Limited (UBL). Before UBL, Shazad held leadership roles at Standard Chartered Bank (Pakistan) Ltd and Barclays Pakistan. He began his career at Deutsche Bank Securities in New York, where he eventually became Managing Director of the Mergers, Acquisitions, and Corporate Advisory Group. In 2005, he returned to Pakistan as Deutsche Bank AG Pakistan's Managing Director and Chief Country Officer. Shazad has also held various non-executive roles, including President of the OICCI, Chairman of the Pakistan Mercantile Exchange, and Independent Director of the Pakistan Stock Exchange. Actively engaged in philanthropy, he chairs Developments in Literacy and holds key positions in educational and financial institutions.



**ALI HASSAN HABIB****Non-Executive Director  
Sustainability Expert**

Ali Hassan Habib, holds a Master's degree in Environmental Sciences from Punjab University, Pakistan, and a Bachelor's in Electrical Engineering from the University of Illinois, Urbana-Champaign, USA. Currently, Mr. Habib serves as CEO and Managing Partner of HIMA^Verte, a renowned sustainability consulting firm in Pakistan. Notably, he served as CEO of the World Wide Fund for Nature (WWF) from 1995 to 2014 and contributed significantly to multiple sustainability-focused organizations like the Adventure Foundation and Aziz Jehan Begum Trust for the Blind. His involvement with government bodies and ministries, including the Prime Minister's Tourism Board and the Punjab Chief Minister's Climate Change and Environmental Task Force, underscores his commitment to sustainability and environmental protection. Mr. Habib's efforts in sustainability have been acknowledged through prestigious awards like the UNIDO Project Finance Advisory Network (PFAN) and World Bank global award in 2018.

**DR. RUMINA SYEDA HASAN****Non-Executive Director  
Doctor (Infectious Diseases  
Expert)**

Dr. Rumina Hasan (MBBS, PhD, FRCPATH) is a distinguished medical professional who completed her medical and postgraduate education at London University, UK. She currently holds the Abdulaziz Hussainali Shariff Professorship at Aga Khan University, Karachi, specializing in infectious diseases, tuberculosis, and antimicrobial resistance. As Chairperson of the Department of Pathology and Microbiology at AKU (2004-2010), she led numerous biosafety workshops and seminars to raise awareness among healthcare workers and researchers in Pakistan. Dr. Hasan is active on several national and international committees, including the New Diagnostic Working Group, the Global Laboratory Initiative under the Stop TB Partnership and WHO, and the Regional Green Light Committee for multidrug-resistant TB in the WHO Eastern Mediterranean Region. She is also a founding member and former president of the Pakistan Biological Safety Association (PBSA).

**MS. KHAWAR MUMTAZ****Non-Executive Director  
Former Chairperson of the  
National Commission on the  
Status of Women**

Khawar Mumtaz currently serves as the Chairperson of the National Commission on the Status of Women. A prominent figure in the women's rights movement, she has been deeply involved with Shirkat Gah, a leading women's rights organization, where she also served as CEO. Mumtaz holds a Master's degree in International Relations and a diploma in French. Her expertise spans various areas, including women's development, political participation, economic empowerment, environmental issues, and reproductive health and rights. She has authored numerous research reports and books, including *Two Steps Forward, One Step Back?*, co-authored with Farida Shaheed, which earned her the Prime Minister's Award for Women of Pakistan in 1989. In recognition of her significant contributions to women's rights, she was also awarded the civil honor Sitara-e-Imtiaz.

# CORPORATE INFORMATION

## Board Of Directors

Dr. Hafiz A. Pasha – Chairperson  
 Ms. Rabia Khan – Director  
 Ms. Fatima Asad Khan – Director  
 Dr. Arif Masud Mirza – Director  
 Mr. Ali Hassan Habib – Director  
 Dr. Rumina Syeda Hasan – Director  
 Ms. Sadia Khan – Director  
 Ms. Navid Shahzad – Director  
 Mr. Shahzad G Dada – Director  
 Ms. Khawar Mumtaz – Director

## Board Committees

### Credit, Program, And Finance Committee

Mr. Shahzad Dada – Chair  
 Dr. Rumina Syeda Hasan – Member  
 Ms. Navid Shahzad – Member  
 Mr. Ali Hassan Habib – Member

### Audit Committee

Mr. Arif Masud Mirza – Chair  
 Ms. Fatima Asad Khan – Member  
 Mr. Shahzad Dada – Member

### Investment Committee

Mr. Arif Masud Mirza – Chair  
 Ms. Fatima Asad Khan – Member

### Human Resources Committee

Ms. Rabia Khan – Chair  
 Ms. Fatima Asad Khan – Member  
 Mr. Ali Hassan Habib – Member

### Information Technology Committee

Ms. Sadia Khan – Chair  
 Mr. Arif Masud Mirza – Member  
 Ms. Navid Shahzad – Member

### Risk Management Committee

Dr. Hafiz A. Pasha – Chair  
 Mr. Arif Masud Mirza – Member  
 Ms. Rabia Khan – Member  
 Ms. Fatima Asad Khan – Member

## Governance and Nomination Committee

Dr. Hafiz A. Pasha  
 Ms. Rabia Khan  
 Ms. Roshaneh Zafar – Managing Director,  
 Kashf Foundation

## Key Executives

Founder & Managing Director:  
 Ms. Roshaneh Zafar  
 Chief Financial Officer: Mr. Shahzad Iqbal  
 Company Secretary: Ms. Saira Soofi

## Auditors

A. F. Ferguson & Co. Chartered Accountants  
 (a member firm of the PwC network)  
 308-Upper Mall, Shahrah-e-Quaid-e-  
 Azam, Lahore – 54000, Pakistan  
<http://www.pwc.com/pk>

## Legal Advisors

Mandviwalla and Zafar  
 7/B-1, Aziz Avenue, Canal Bank Gulberg V,  
 Lahore  
 Tel: +92 42 35715479  
 Web: [www.mandviwallaandzafar.com](http://www.mandviwallaandzafar.com)

## Butt & Company Advocates

Peoples Building, 5-Farid Kot Link Road,  
 Lahore  
 Phone: +92 42 37238945  
 Email: [shahbazbuttadv199@gmail.com](mailto:shahbazbuttadv199@gmail.com)

## Tax Advisors

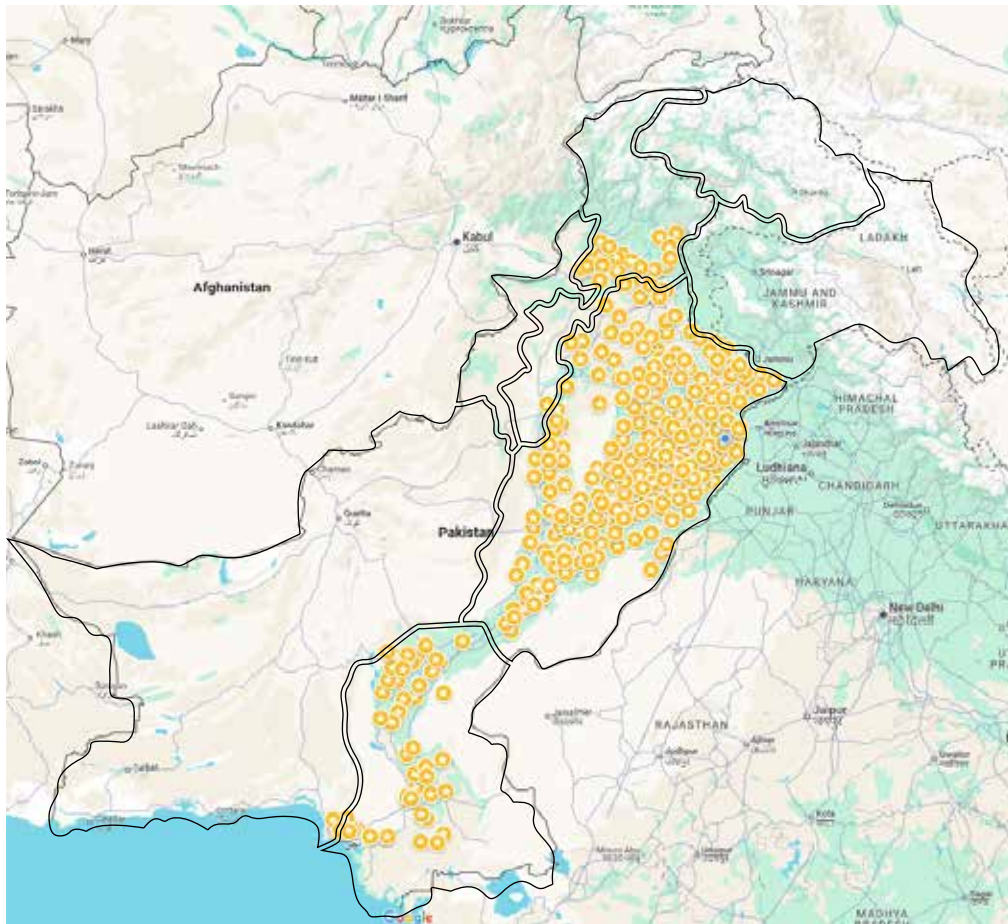
KPMG Taseer Hadi & Co  
 Chartered Accountants  
 351 Shadman-1, Jail Road, Lahore, Pakistan  
 Phone: +92 42 111-KPMGTH (574684)  
 Fax: +92 42 3742 990-7

## Registered Head Office

1 C, Shahrah-e-Nazaria-e-Pakistan,  
 Lahore, Pakistan  
 Phone: +92 42 35248901-25  
 Website: [www.kashf.org](http://www.kashf.org)

# GEOGRAPHICAL OUTREACH

Kashf Foundation currently operates in 37 districts of Punjab, 21 districts in Sindh, 9 districts in Khyber Pakhtunkhwa, 1 district in Baluchistan, and the Capital Territory of Islamabad through a network of 382 branches. Overall, the institution in terms of district-wise reach has a presence in 42% of the country, that is, the 382 branches cover a total of 69 districts including the Capital territory of Islamabad.



# ORGANIZATIONAL SNAPSHOT

## 2023-2024

Kashf proudly closed the Financial Year 2023-2024 as the largest provider of microloans to women with 15% of the active female borrowers in the sector being served by Kashf. With 778,970 active clients, Kashf was also the third largest microfinance provider in the sector, capturing 7% of the market share. While the microfinance sector's outreach grew by 13%, with nano loans making up 50% of the total outreach over the last year, Kashf maintained a solid growth rate of 7%. Kashf concluded the year with a portfolio at risk (PAR) of just 0.53%, significantly lower compared to the sector's average of 6.77%, demonstrating a strong focus on risk management coupled with effectively meeting the credit needs of clients.

In terms of portfolio growth, while the sector experienced a decline in the outstanding portfolio of 3%, Kashf was able to achieve a portfolio growth of 10%. At the same time, the average disbursement size (ADS) was PKR 59,000, which when compared with the overall sector's ADS was 13% higher, indicating Kashf's commitment to larger loan sizes in line with the capital requirements of clients' businesses.

In addition to microloans, Kashf also expanded the reach of its insurance product offerings, which now include



credit for life, health, and livestock insurance along with a pension product, in order to better cover clients against contingencies. Currently, Kashf is the largest distributor of micro insurance covering 4.4 million individuals, which accounts for 55% of all micro insurance clients in the sector.

**778,970**  
**Individuals**

Kashf's Active Clients

**10% Annual**  
**Growth**

Kashf's Portfolio Growth

**4.4 Million**  
**Individuals**

Micro Insurance Coverage

Moreover, Kashf continues to further improve and hone its capacity-building initiatives by not only covering financial education and business management but also expanding maternal and reproductive health trainings and gender justice initiatives. By June 2024, the outreach of Kashf's capacity-building programs increased by 12% compared to the previous year, covering 129,318 women through training and awareness programs focused on financial literacy, business management, teacher's training, reproductive health, and a variety of socio-cultural issues that impact women's economic participation and empowerment.

Kashf's performance over the year is a testament to its steadfast vision of financial inclusion. By implementing policies that balance risk management, client centricity, and quality service, Kashf has effectively supported women entrepreneurs in strengthening their businesses and enhancing their social and economic participation.



# YEAR-ON-YEAR OPERATIONAL PERFORMANCE

In FY 23-24, Kashf disbursed microloans totaling PKR 49.85 billion, reflecting a 10% increase from PKR 45.47 billion in the previous year. Notably, 71% of these loans were directed toward productive enterprises while 29% were disbursed for emergency or contingency financing, in order to help low-income families with consumption smoothing. It is important to note that over 78% of productive loans were invested in women-led businesses. Kashf continued to expand its offerings and rolled out the Kashf Top Up Karza (KTK) to assist micro businesses needing frequent capital infusions to continue to meet their growing capital needs. Additionally, responding to the demand for home improvement financing among low-income women, Kashf introduced a dedicated loan product for small construction and renovation.

As of June 2024, Kashf's outreach in life and health insurance increased by

11% and 18%, respectively, compared to June 2023. In addition to these advancements, Kashf piloted a micro pension product aimed at helping low-income households achieve their short- and medium-term financial goals. This micro-pension product is set to be rolled out in the coming year, further enhancing Kashf's commitment to providing comprehensive financial solutions to its clients.

Kashf made notable progress in capacity building, with outreach for Financial Management Trainings increasing by 4% and Business Acceleration Trainings by an impressive 27%. This year, Kashf also introduced financial management training specifically for young girls, aiming to equip them with essential financial skills and encourage entrepreneurship. These initiatives demonstrate Kashf's commitment to empowering women and fostering a more inclusive economic environment.



## FINANCIAL PRODUCTS

Product	Loans Disbursed
Business Loan – Kashf Karobar Karza	553,454
Shariah Compliant Business Loan– Kashf Murabaha	29,627
Livestock Loan – Kashf Maweshi Karza	39,185
Shariah Compliant Livestock Loan – Kashf Maweshi Murabaha	616
School Finance Program – Kashf School Sarmaya	1,957
Kashf Top Up Karza	14,286
Home Improvement Loan	1,443
Budgetary Support Loan – Kashf Fori Karza	195,309
Emergency Loan – Kashf Sahulat Karza	65,258
<b>Total</b>	<b>901,135</b>

## SAFETY NETS

Insurance	Enrolled Policy Holders
Micro Health	2,938,322
Micro Life	1,538,151
Livestock	39,857
Micro pension	4,963
<b>Total</b>	<b>4,521,303</b>

## Capacity Building Programs

Programs	Participants
Financial Management Trainings	55,357
Advanced Financial Management	4,085
Financial Management for Young Girls	2,011
Business Accelerator Training Program	5,735
Advanced Business Accelerator Program	1,146
Business Acceleration– Vocational Skill Training	209
Maternal and Reproductive Health Trainings– Women	28,169
Maternal and Reproductive Health Trainings– Men	1,713
Theater Participants	27,299
Gender Councils	676
School Owners and Teachers	2,918
<b>Total</b>	<b>129,318</b>

# YEAR-ON-YEAR FINANCIAL PERFORMANCE

Kashf Foundation's financial performance over the year shows remarkable resilience in navigating macroeconomic and regulatory challenges.

Despite high inflation, rupee depreciation, and multiple interest rate adjustments, Kashf was able to increase its financial self-sufficiency from 96.05% to 110.39%, indicating effective management of revenues against rising operational costs. Even though overall operational self-sufficiency declined slightly when compared with the previous year, it continued to remain much above 100%.

The debt-equity ratio was stable at a strong 79:21, implying that the balance sheet was prudently leveraged. Kashf's financial performance during a challenging economic year underscores its resilience in navigating economic pressures while remaining fully committed to meeting the financial needs of women from low-income communities.



## Ratios

	June 2024	June 2023
Operational Self Sufficiency	121%	131%
Financial Self Sufficiency	110.39%	96.05%
Debt-Equity Ratio	79:21	73:27
Administrative Efficiency	15.88%	15.32%
30 Day PAR	0.53%	0.52%



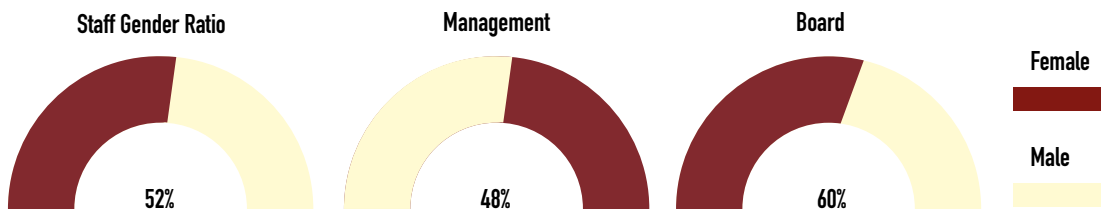


# HUMAN RESOURCES DASHBOARD

Kashf's human resource metrics indicate notable growth and stability over the past year. As of June 2024, Kashf employee base increased to 4,139 staff members, with women continuing to represent 52% of the workforce. Not only this, Kashf was able to ensure gender balance at every tier of the organization.

	June 2024	June 2023
Head Office Staff	153	143
Field Staff	3,986	3,723
Operations and Administrative staff	4,139	3,866
Staff Gender Ratio	52%	52%
Yearly Turnover	14%	14%

Currently, 55% of managerial positions at Kashf are occupied by women, they make up 49% of Kashf’s Management and 60% of Board Members. Moreover, 49% of the workforce across Kashf reports to female Managers. Through career ladder programs designed to facilitate vertical growth and regular Diversity and Inclusion (D&I) trainings that foster a discrimination-free work environment, Kashf provides equitable support for both men and women, enabling them to thrive in their careers. During 2023-2024, Kashf provided trainings to 100% staff members, across all tiers, through quarterly courses and refresher trainings ensuring their skills and capacities are continuously developed in line with their career growth needs. In the past year alone, 41 women and 42 men qualified for promotions, reflecting the effectiveness of Kashf’s gender-intentional policies that promote equal access to opportunities for all employees. Moreover, through an annual review of compensation and performance management systems, Kashf ensures gender pay parity at all tiers.



Ratios	Percentage of Females	Percentage of Males
Business Development Officer	52%	48%
Branch Manager	51%	49%
Area Manager	50%	50%
Regional Manager	55%	45%

Kashf has also been able to maintain a low yearly turnover of 14%. Along with the above-mentioned initiatives, the high retention rate can also be attributed to a comprehensive suite of measures — such as generous maternity and paternity leave, on-site daycare facilities, flexible working hours, and mobility support for women— which foster a supportive work environment allowing both men and women to balance their professional and personal responsibilities effectively



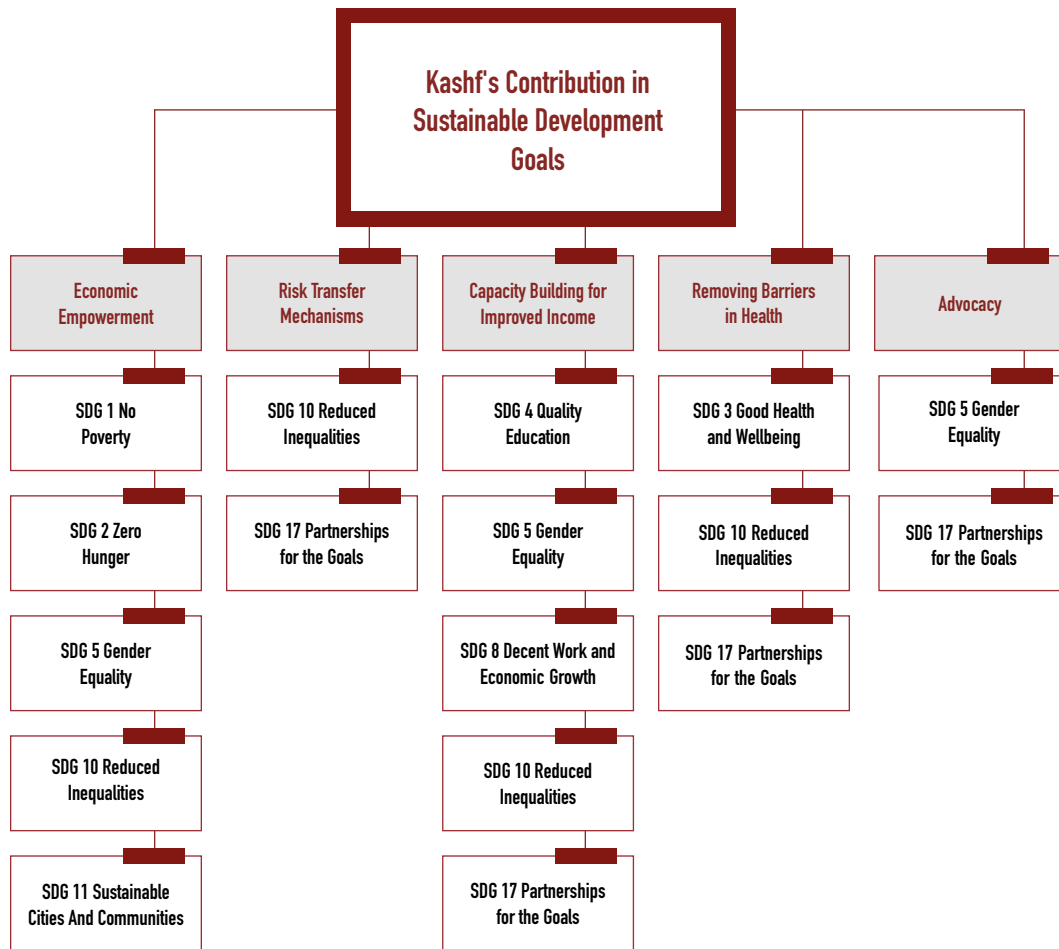
# HOLISTIC APPROACH TO POVERTY: KASHF DRIVING SUSTAINABLE DEVELOPMENT

Poverty is a complex issue even more so when seen from a gender lens. Globally, women and girls spend more time on providing unpaid care and domestic work than men, which curtails their ability to seek out other opportunities like education or the running of successful businesses or finding paid work or even being part of social or community level initiatives. Undoubtedly, addressing poverty and gender inequality requires a multi-dimensional approach to its root causes, such as unequal access to resources, healthcare, education, information, and discriminatory social practices. While economic empowerment plays a crucial role in alleviating poverty, alone it is not enough. A comprehensive approach is needed to address the multiple dimensions of deprivation, especially from the perspective of gender inequality.

In this context, women's empowerment is especially important, which further encapsulates the need for creating economic agency for women through choice, decision-making, and control. This highlights the fundamentals that govern Kashf's holistic approach to addressing income and resource inequalities within low-income families from a gender perspective. Undoubtedly, women face the harshest impacts of poverty due to systemic inequalities. Empowering women not only enhances their individual lives but also drives broader social and economic development that generates positive ripple effects throughout communities. This perspective is

embedded in the United Nations' Sustainable Development Goals (SDGs), which seek to tackle a wide range of global challenges in the fight against poverty. Aligned with this vision, Kashf Foundation has expanded its initiatives over the years to address the complex, interrelated factors contributing to poverty and thus ensuring sustainable impact. Kashf's interventions can be categorized into five key dimensions: enabling financial access through microloans, enhancing resilience through micro insurance, building capacity for improved income and business management, improving women's health and wellbeing through targeted interventions, and last but not the least, changing mindsets through advocacy.





The above figure highlights the strong link between Kashf-led interventions that especially focus on women micro-entrepreneurs from low-income families with the SDGs. Through improving income generation and resilience of low-income households by expanding its suite of credit programs and introducing insurance products to mitigate economic risks, Kashf has contributed to furthering SDG 1 (No Poverty) and SDG 2 (Zero Hunger).

Kashf has contributed to SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities) through its specially tailored products designed to meet the unique needs of women. By offering a combination of credit and insurance to women micro-entrepreneurs, Kashf

helps build economic resilience within families.

Through capacity-building initiatives and skills training, Kashf has made efforts to advance economic opportunities for women and reduce educational inequalities, thus contributing to SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced inequalities) and SDG 17 (Partnerships for the Goals). Moreover, Kashf's health programs aim to lessen the financial burden of healthcare on women, while advocacy and awareness-raising efforts aim for sustainable, generational change leading to the achievement of SDG 3 (Good Health and Well Being) and SDG 5 (Gender Equality).

# CREATING ECONOMIC AGENCY THROUGH WOMEN-CENTERED MICRO LOANS

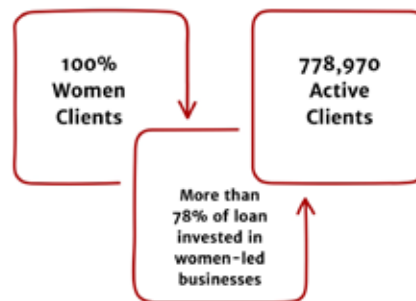


Kashf Foundation’s journey has been about far more than just providing financial services—it has been about empowering women, enhancing their economic agency, and creating meaningful, lasting change in the communities it serves. Designing gender-intelligent products and women-centered delivery methodologies has been at the core of Kashf’s financial inclusion program. As Pakistan’s first specialized microfinance institution, Kashf has always recognized the unique challenges that women face, particularly when it comes to accessing credit including but not limited to complex documentation, time poverty, accessibility and convenience, and more. Kashf, with a deep understanding of these realities, has developed low-barrier credit products that allow women to overcome these hurdles, thus addressing the last mile gaps when it comes to access to financial services from a gender perspective.

There is no doubt that women “lived” realities as economic and social actors are different, and financial services need to remove barriers that women face consciously and systematically. These realities are governed by layers of normative behavior, social conditioning, and financial limitations. For example, to address the mobility limitations experienced by women, Kashf strategically locates its branches within the heart of the communities it serves, facilitating client onboarding

at their doorsteps, while maintaining confidentiality all client-level data is collected online seamlessly. Access to financial services goes hand in glove with client education and financial literacy, which further empowers women entrepreneurs to make the best use of financial products and services. To date, these remain some of the key USPs for Kashf.

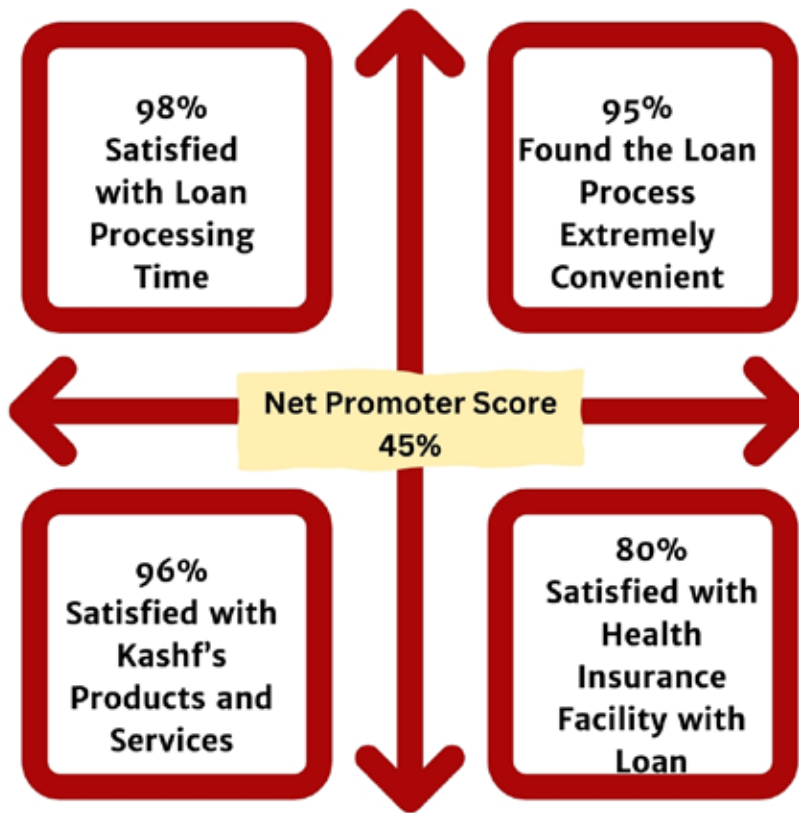
Kashf’s recent customer satisfaction survey gives a clear picture of how effective these efforts have been, as 98% of clients reported satisfaction with the loan processing time and 95% found the process extremely convenient. These numbers are a testament to the fact that Kashf deeply understands and responds to the needs of low-income women. Continuing the mission of empowering women through enabling financial access, Kashf closed the fiscal year 2023-24 with 778,970 clients



served through 382 branches, which is a 7% increase over the previous year, while 78 percent of the loans disbursed were invested directly in women-led businesses. With 100% of Kashf's clients being women, Kashf's efforts to improve women's economic opportunities are in alignment with the SDG 5, Gender Equality.

Moreover, the suite of credit products not only addresses the capital needs of women-led micro-businesses,

but also meets requirements like consumption smoothing, short-term liquidity management, and long-term investments like home construction and home improvement. This holistic approach towards the provision of capital effectively tackles multiple dimensions of poverty and directly contributes to the achievement of SDG 1 (no poverty), SDG 2 (zero hunger), and SDG 11 (sustainable cities and communities).



### KASHF CREDIT PRODUCTS

Kashf Karobar Karza/Kashf Murabaha for microenterprises	Kashf Muweshi Karza for small dairy farmers	Kashf School Sarmaya for low cost private schools	Kashf Top Up Karza to meet high liquidity requirements clients' businesses	Home Improvement Loan for small construction and renovation	Kashf Fori Karza and Kashf Sahulat Karza for small business and emergency needs
---	---	---	--	---	---

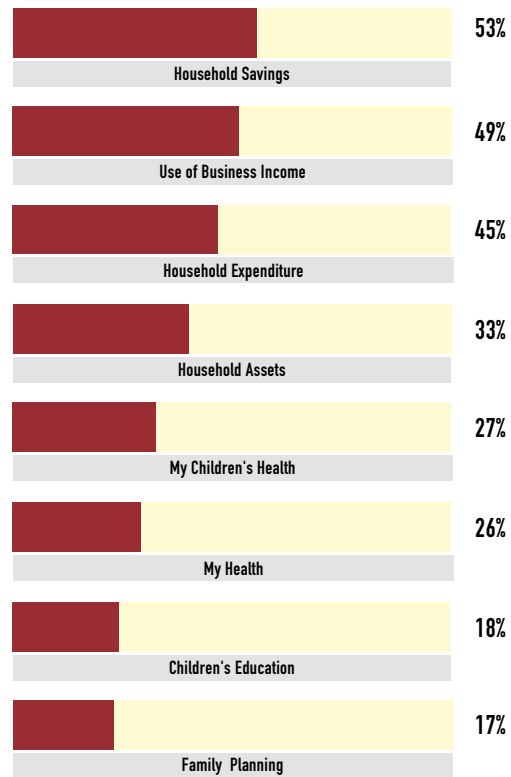
An independent assessment undertaken to determine the impact of Kashf’s credit program on the income of micro-entrepreneurs showed significant positive change. After the loans, respondents reported an average increase of Rs.14,439 in household income, Rs.5,309 in savings, 10,897 in business revenue, and a 5,666 increase in business profits, showing the impact of Kash’s credit programs in reducing income inequalities (SDG 10) and in enhancing the economic reach and participation of women in low-income households.

### CHANGE IN INCOME & SAVING AFTER LOAN



### AREAS IN WHICH DECISION-MAKING AUTHORITY HAS INCREASED

Improved financial access and income also translate into greater influence and respect at home with 86% of respondents reporting being treated with more respect in the house as a result of Kashf’s credit program and 71% reporting an improved perception of their own abilities after the loan. With respect to household decision-making decisions, respondents reported enhanced influence in an array of decisions, but more prominently in terms of financial decisions involving the use of savings, business income, and HH expenditures, thus furthering gender equality in society and creating a positive pathway for women entrepreneurs both within and outside their families.



#### Jamila Baji- Kashf Karobar Karza Client

*“Over the last 18 years, Kashf has been my partner through life’s ups and downs. Through Kashf’s support, I was able to launch two businesses, cloth trading and catering, which have thrived over the years. My businesses now generate a decent and steady income for myself which allows me to live a life of dignity.”*





## KASHF FOUNDATION'S SOLAR PRODUCT: A SOLUTION TO ENERGY POVERTY

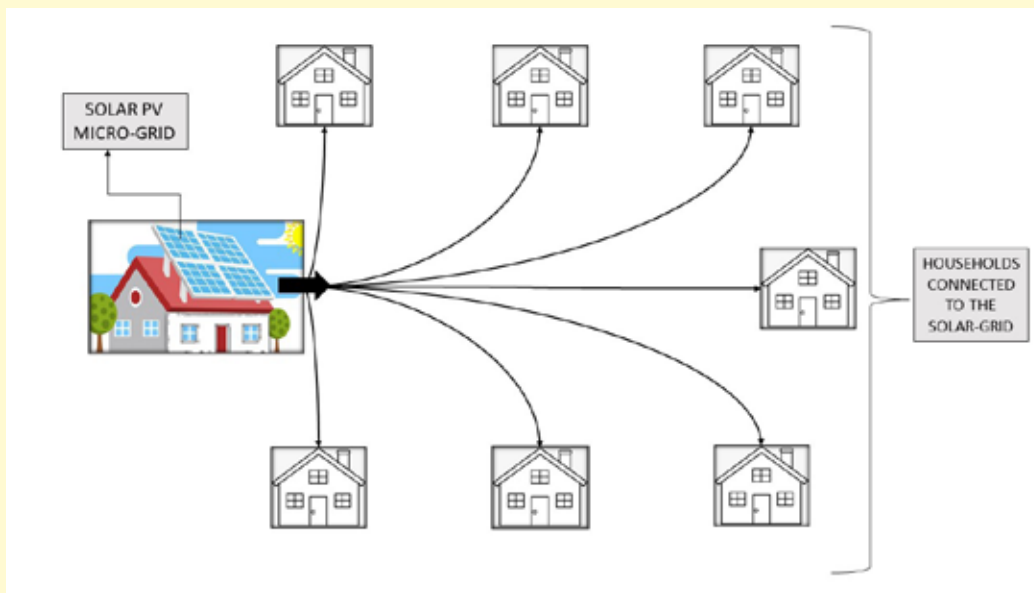
Energy poverty in Pakistan has reached alarming levels, rising from 19.2% of households in 1999 to nearly 29% by 2019. This growing crisis has a disproportionate impact on vulnerable populations, particularly women, who are burdened with increased workloads, health risks, and limited access to education and employment opportunities. In response to this urgent need, Kashf Foundation, in partnership with SAMAA<sup>^</sup>Verte, launched a transformative Solar Microgrid pilot project in the remote area of Bakirabad, aiming to bring sustainable energy solutions to those who need them most.

The pilot initiative featured a central solar PV microgrid with a capacity of 5.4 kW, designed to power essential appliances like fans, bulbs, and charging devices, for multiple households in the community. The innovative solution offered an opportunity to assess the economic and social impact of solar

energy on low-income households at a very minimal cost to them. Additionally, through energy production at a central point, the micro-grid model provided the added benefit of meeting the varying energy needs of the connecting households. By offering subsidized installations and credit options for solar products, the program made renewable energy accessible to low-income households.

The results of the pilot were profoundly encouraging. On average, participants reported a 44% reduction in their electricity bills, allowing them to redirect funds toward essential needs such as food, healthcare, and education. One year after the pilot's launch, users expressed high levels of satisfaction and a desire for additional solar solutions, underscoring the potential of renewable energy to transform lives and bridge the access gap for underserved communities.

### Solar Microgrid Model: Households Connected to a Centralized Solar Panel



## Impact of Solar Product

90% respondents reported reduction in electricity bills

90% reported improves quality of life in summers

80% noted better study conditions for children

Saved money from the utility bills went into consumption smoothing



### Parveen Baji- Solar Micro-Grid User

*“My electricity bill has been nearly halved. This reduction has streamlined household chores and has improved sleep quality for my children in the night. Previously, my four school-going children struggled to study without light and cooling, especially during long power outages that could last up to 48 hours. Now, they can easily complete their homework, even when the main power grid fails. This simple yet profound change has truly transformed our daily lives for the better.”*

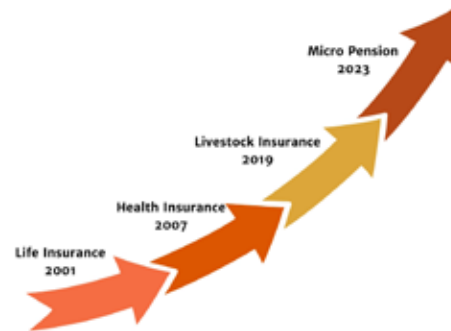
# ENHANCING RESILIENCE THROUGH GENDER INCLUSIVE MICRO-INSURANCE



While financial access allows women to take control of their lives, creating safety nets to manage economic shocks is equally important as it protects the limited resources available to low-income households and provides flexibility in prioritizing financial decisions. Economic and human capital losses can significantly impact the long-term financial well-being of low-income families, especially women, pushing them further into poverty or reversing improvements in the quality of life.

The impact of this is acute and long-lasting when assessed in the context of gender. Being sensitive to such vulnerabilities and disparities, Kashf Foundation was the first microfinance institution to partner with insurance providers to devise, develop, and offer micro-insurance with credit products, which include life insurance, livestock insurance, and health insurance through a gender-intentional design approach.

Kashf's integration of risk coverage into its offerings began in 2001 with the introduction of credit for life insurance, a forward-thinking initiative that has since become a standard practice in the microfinance sector. The risk cover ensures that in the unfortunate event of a client's death or disability, the outstanding loan amount is covered by insurance, thereby providing debt relief to the household. Another important feature of insurance is that the coverage also extends to the spouse or co-bread



earner in the family, thus protecting the family from extreme financial crisis. As of June 2024, Kashf has provided credit for life cover to 14 million individuals.

Understanding that poverty and health are interconnected at the household level and disproportionately impact women because they shoulder a majority of the caregiving responsibilities, Kashf introduced a comprehensive inpatient insurance in 2007.

The insurance covered not only the woman but her entire immediate family at a very minimal cost, ensuring that access to quality health care for the family is improved. Additionally, the insurance also provided an extra layer of coverage in the form of maternity benefits to cater to the unique healthcare needs of the women relating to pregnancy and childbirth.

Some of the key features that distinguish Kashf's micro-insurance

products from others, and have led to the high uptake and acceptability of health insurance amongst women include:

- 1.** No exemption of pre-existing conditions which allows women to access health care without discrimination based on prior health issues thus addressing their unique health needs reducing the cost of access or pre-medical checks.
- 2.** Staggered premium payments provide financial flexibility to accommodate irregular/low income allowing women to manage healthcare without compromising on other financial obligations.
- 3.** Low claim processing time allows women to access medical care without being financially burdened.
- 4.** Continuous focus on client education and awareness regarding the product encourages understanding of the health care options available and encourages proactive health-seeking behavior.

As of June 2024, Kashf has provided health insurance coverage to more than 16 million individuals, while today Kashf proudly stands as the largest provider of micro insurance in Pakistan. In a continued effort to shield women entrepreneurs from economic shocks, Kashf took another leap and expanded its risk coverage in 2019 by introducing livestock insurance which is bundled with the Kashf Livestock Product.

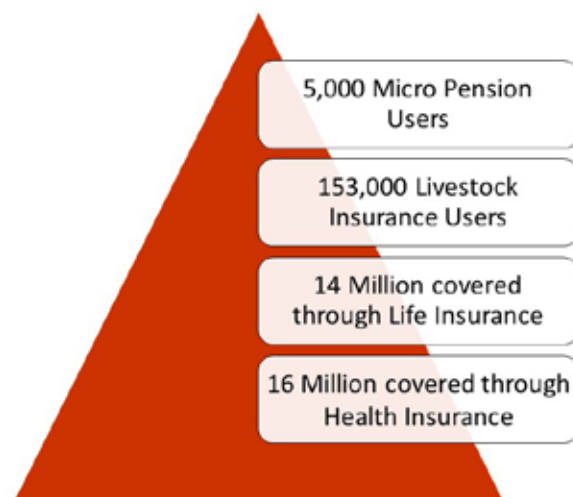
The insurance product is a reflection of Kashf's keen understanding of the important role that dairy farming plays in the income generation for women and food security for low-income households. With women's active engagement in dairy farming that extends from milking, feeding, and taking care of animal health to handling the sales of dairy products, the coverage

is vital in ensuring that women are able to continue their dairy operations and sustain scale and income.

The insurance provides cover against the loss of livestock due to death or theft, thereby safeguarding the households from the economic shock stemming from the loss of a critical asset.

Seamless onboarding process requiring no assessment of the asset, along with staggered premium payments are the unique features of the livestock insurance product. These features are not only user-friendly but are tailored keeping in view the budgetary constraints faced by women micro-entrepreneurs. So far, Kashf has provided livestock insurance to 153,000 women dairy farmers.

These safety nets provided by Kashf are integral to Kashf's mission of strengthening economic resilience for women and reducing income inequalities and align directly with SDG 10: Reduced Inequalities.



## EXPLORING NEW HORIZONS THROUGH MICRO PENSION SCHEME

Expanding the ambit of micro-insurance services even further, Kashf Foundation, in partnership with EFU, an insurance provider, developed a micro-pension product, Khushal Mustaqbil Plan (KMP) for low-income women in 2023. The product was developed in response to the needs of micro-entrepreneurs, who were facing the impact of rising inflation in the form of constrained disposable income impacting their ability to plan for the future. Bundled with Kashf's credit products, the three-year micro-pension plan was carved to provide financial security as well as an opportunity to meet short and medium-term financial goals. The main features of the product include:

- 1.** Affordable premium options in recognition of the fact that women often manage tight household budgets. This flexibility allows them to make informed financial choices without sacrificing essential needs.
- 2.** The policy's structure supports

women's continuous financial growth by ensuring that coverage remains active with timely loan renewals, addressing the instability often faced by women entrepreneurs in securing long-term financial products.

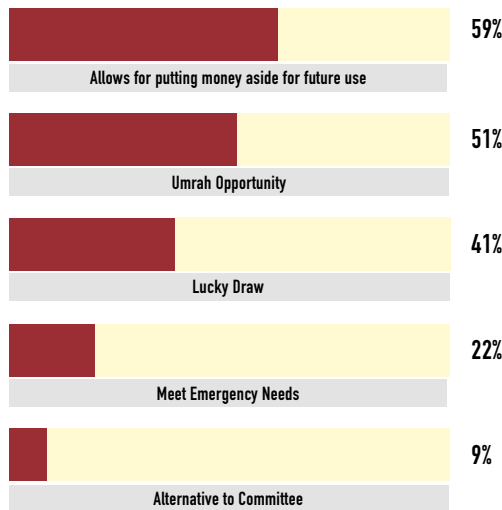
- 3.** The additional premiums for long-term participation incentivize women to invest for the future, reinforcing the importance of financial planning and stability, particularly for those who may prioritize immediate needs over long-term savings

**4.** Engaging women through raffles and lucky draws encourages consistent contributions and also creates healthy incentives for long-term participation in the pension scheme

- 5.** Allowing penalty-free withdrawals acknowledges the unpredictable nature of low-income women's financial situations thus providing a critical safety net for women to meet emergency needs in case it is needed.



## WHAT DO YOU LIKE ABOUT KHUSHAL MUSTAQBAL PLAN?



KMP product was launched as a pilot in eight of Kashf’s branches and special focus was kept on educating clients regarding the product features to allow them to gain maximum benefit from the offered facility. In seven months following pilot initiation, 5,000 women were enrolled in the KMP program and regular feedback was sought from staff and clients on the products.

Feedback gathered from 100 clients in July 2024 showed high satisfaction with the product with 81% of respondents finding it extremely useful for managing future expenses and covering contingencies. When clients were asked about their favorite features of the product, the most popular response (59%) was the opportunity to set aside money to achieve financial goals.

This was closely followed by the chance to win prizes through lucky draws, highlighting the positive reception of the product among the target audience it was designed to serve, which highlights the strong relationship the organization has built with its clientele.



### Shabnam Baji- Khushal Mustaqbil Plan User

*“Kashf’s KMP has enabled me to consistently put some money aside to invest in my business. Winning the prize money through the lucky draw under the KMP plan, at a time of extreme financial strain, helped cover Eid expenses and enabled me to manage my daughter’s school fees. Now, I plan to use my pension to purchase a sewing machine and expand my packaging business”*

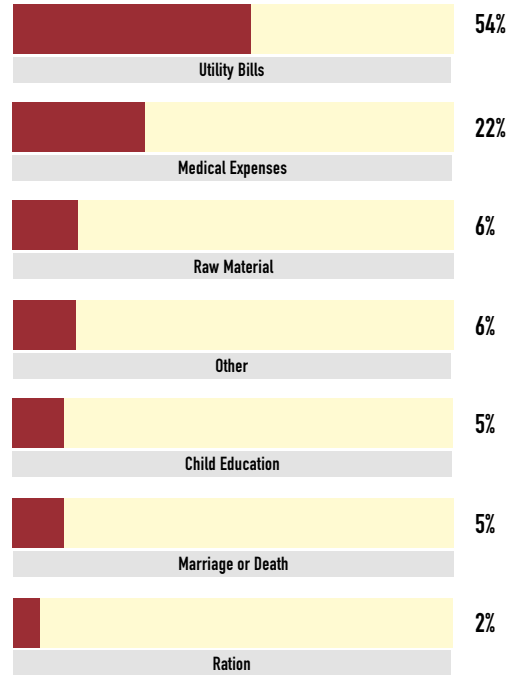
Moreover, the product not only provided much-needed financial support but also improved the client’s relationship with the organization. The results of the client satisfaction survey showed a Net Promoter Score (NPS) of 51% for the credit product when bundled with KMP, compared to an NPS of 45% for credit product without it. However, the most significant impact of the scheme is evident in how clients utilized the premium amounts to address urgent needs.

While only 1.2% of the total enrolled clients opted for early withdrawals, of those who did, a majority reported using the funds to pay utility bills (54%), followed closely by medical expenses (22%). This underscores the scheme's critical role in providing financial relief during emergencies and helping clients manage unforeseen expenses effectively.

Kashf’s strategic partnerships to effectively integrate its micro-insurance offerings with credit products in the form of life, health, and livestock insurance and the first-of-its-kind micro pension scheme reflects Kashf’s

commitment to enhancing the economic resilience of women and their families. These efforts align and contribute to the achievement of SDG 4, Reduced Inequalities, and SDG 17, Partnerships for the Goals.

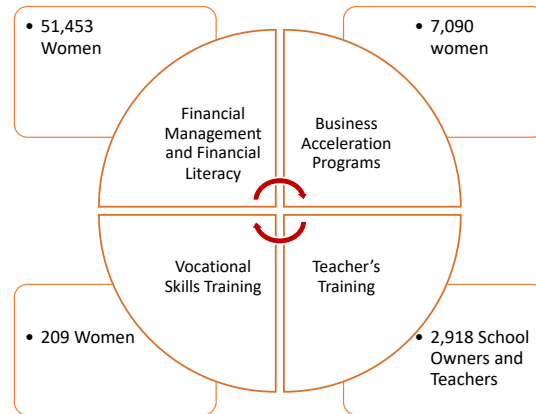
### USE OF PREMIUM AMOUNT







# INVESTING IN THE VALUE CHAIN OF WOMEN ENTREPRENEURSHIP FOR IMPROVED INCOME AND BUSINESS MANAGEMENT



In addition to providing financial access, Kashf recognizes the critical role that informed financial decision-making plays in enhancing women’s well-being. Therefore, capacity-building programs are a central focus of the Kashf Foundation, aimed at reducing the gender gap in financial education, promoting improved business management skills, and subsequently enhancing women’s productivity and the economic returns to their businesses.

The success of Kashf’s capacity-building interventions is based on employing adult education and participatory approaches in learning, which impacts

the praxis of skills acquisition. Kashf implements this through four key interventions: Financial Management (FM) and Financial Literacy Trainings, Business Acceleration Trainings (BAT), Teacher and School owner Trainings, and Vocational Skills Development.

These initiatives empower women with the knowledge and tools necessary to navigate financial challenges and are in direct alignment with the UN’s sustainable development goals, SDG 4: Quality Education, SDG 8: Decent Work and Economic Growth, SDG 10: Reduced Inequalities and SDG 17: Partnerships for the Goals.

## FINANCIAL MANAGEMENT AND FINANCIAL LITERACY TRAINING

Financial literacy is an important key to achieving gender parity and breaking the cycle of poverty. While the gender gap in financial literacy is a global phenomenon, the gap is wider for developing countries like Pakistan where women face multiple barriers to accessing education and employment opportunities. Therefore, to bridge this gap in financial literacy, Kashf provides basic financial management and literacy trainings to women. Covering essential topics such as budgeting, savings, debt management, and financial decision-making, the program seeks to address the gender gap in financial literacy, by enhancing women's ability and confidence in making informed financial decisions for themselves and their

households.

A third-party assessment of the program's impact revealed significant improvement in the participants' understanding of various financial management aspects. Over four-fifths of the participants reported gaining knowledge in profit and loss calculations, budgeting, debt management, and financial negotiations. Furthermore, more than three-quarters of the respondents credited Kashf's trainings as the primary source of their financial knowledge, which highlights both the need and the appropriate focus of the training program.

### **Munaza Baji- Participant Financial Management Training**

*“Kashf enabled me to start my embroidery business and gain control over my finances. Through their training, I learned essential skills like record-keeping, budgeting, and time management. Now, I plan to set up a mobile wallet account to ensure regular savings and secure my future. The support from Kashf has been transformative”*

Encouraged by the impact, Kashf has now expanded the reach of the financial literacy programs to the adolescents and young girls within the families of the women that Kashf serves. The training program hopes to build positive financial habits, inspire entrepreneurial thinking, and reduce the risk of economic dependency, leading to sustainable transformation. As of June 2024, Kashf has successfully trained 1.7 million women in financial management.

### **Samreen Baji- Participant Financial Management Training for Young Girls**

*“The training inspired me to think about my own business so I can be financially independent and also support my family. The component on the use of technology for business was especially useful. I now intend to start my own stitching business and advertise it through my Android phone.”*

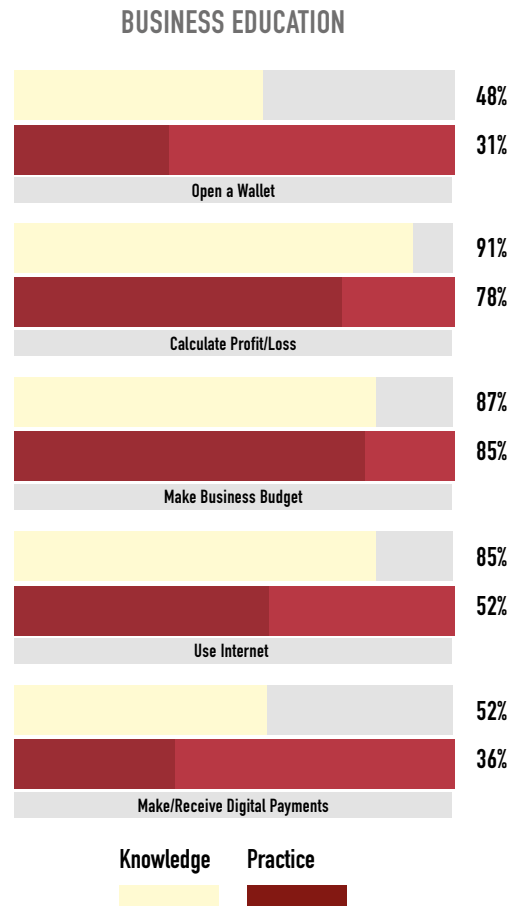


## BUSINESS ACCELERATION TRAINING

The success of women's businesses has a substantial impact on their families and communities. However, due to limited or no access to formal education, women micro-entrepreneurs often do not have access to the training and resources that would further develop their entrepreneurial skills.

Therefore, along with micro-credit, the Kashf Foundation also included complementary business trainings for women micro-entrepreneurs to bridge the gender gap in exposure and education relating to business management practices. The trainings were specially tailored for women entrepreneurs seeking to expand their business and therefore explored key business components like marketing, planning, business management practices, and digital literacy.

Assessment of the impact of the training showed an enhanced understanding of the participants in business management, which also translated into improved practice. As of June 2024, Kashf has imparted business education to more than 7,000 women entrepreneurs.



### Kiran Baji - Participant Business Acceleration Program

*"I've been running my grocery store for nine years, but Kashf's training transformed my business. By applying what I learned, I started maintaining a digital record of my business cash flows and also started making digital transactions for vendor payments and customer bills. I also diversified my product offerings and started using WhatsApp to effectively market the new products, which has allowed me to reach new customers and has significantly increased my business income."*

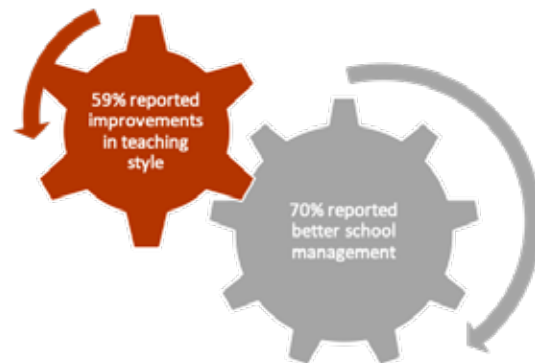
## SCHOOL MANAGEMENT AND TEACHER'S TRAININGS

Strengthening low-cost private schools in Pakistan presents a significant opportunity to enhance access to quality education, particularly for girls in underserved areas. Many girls drop out of school due to mobility constraints and inadequate facilities in state-run institutions. Low-cost private schools, due to their proximity to communities, improved educational infrastructure, heightened accountability to parents, and reduced teacher absenteeism, can effectively mitigate dropout rates and increase girls' enrollment.

In recognition of this potential, the Kashf Foundation has developed a specialized initiative, Kashf School Sarmaya, aimed at supporting low-income private schools in infrastructure development, business sustainability, and expansion. Currently, the Kashf Foundation supports around 2,000 low-cost private schools across Pakistan. Kashf combines the credit product with complementary training programs designed to enhance school management practices and improve overall teaching quality.

The training programs focus on developing pedagogical skills that foster greater student engagement, leading to improved learning outcomes and decreased dropout rates. Additionally, the business management training provided to school owners ensures that they can enhance operational efficiency, thereby enabling them to serve a larger number of underserved children. As a result of the trainings, 70% of school owners reported improvement in school management practices and 59% in engagement of teachers with the students. As of June 2024, Kashf has cumulatively built capacity of more than 8,000 school owners and 36,000 teachers.

By addressing both educational quality and operational effectiveness, Kashf is making a meaningful impact on improving access and the quality of education for girls thus aligning with SDG 4 and SDG 5; quality education and gender equality.





## VOCATIONAL SKILLS TRAINING

Vocational skills training programs play a pivotal role in empowering individuals, particularly women, by fostering entrepreneurship and enhancing employability. Kashf's skills development initiatives are transforming economic opportunities and facilitating women's integration into the local economy, thereby addressing the gender gap in the workforce.

In 2022, Kashf established its first vocational skills center in Silanwali, where over 120 women have been trained in traditional crafts such as lacquer art, wood carving, and calligraphy. This comprehensive 15-day program not only imparts technical skills but also equips participants with essential soft skills, including financial negotiation and market linkage development, ensuring that the women are well-prepared to navigate and succeed in their entrepreneurial journeys.

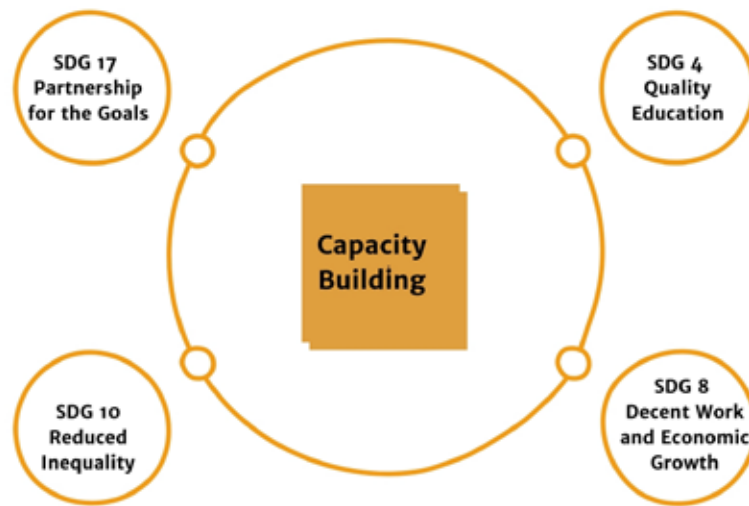
In addition, Kashf forged a strategic partnership with a renowned shoe brand, NDURE, to increase women's participation in the formal workforce. Through a comprehensive 26-day paid training program, 126 women acquired essential skills in various shoe-making

processes, from cutting to stitching. Remarkably, 85% of the trainees were offered employment following their training demonstrating the impact of the partnership in improving women's labor force participation. Additionally, the Kashf team worked with NDURE to improve inclusivity on the factory floor by ensuring female supervisors, adding a female toilet, and a designated area for women in the cafeteria. The wage paid to women workers was at par with that being paid to male workers in the factory for the same work, while women were also provided a pick-and-drop service to address mobility factors.

By cultivating strategic partnerships, promoting skill development, and generating employment opportunities, Kashf is actively contributing to the achievement of several Sustainable Development Goals (SDGs). These include SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), and SDG 17 (Partnerships for the Goals). Furthermore, Kashf's capacity-building initiatives—encompassing financial literacy, business management, and teacher training—are advancing access to quality education (SDG 4) for women.







**Nadia Baji- Trainee Silanwali Vocational Skills Center**

*"My household was struggling financially to a point where it was getting difficult to arrange meals for my children. When I learned about Kashf's Vocational Training Center at Silanwali, I immediately enrolled myself in lacquer art classes. In merely 15 days, my lacquer art skills advanced to the point where I began taking orders and earning a steady income. This enabled me to cover household expenses, support my children's education, and meet my own needs. In the future, I aspire to exhibit my craft internationally"*

# REMOVING OBSTACLES TO HEALTH INEQUALITIES FOR WOMEN



Women carry a triple burden of diseases namely communicable, non-communicable, and reproductive health-related issues. Therefore, women's healthcare needs as well as out-of-pocket expenditures are expected to be higher than men's.

However, resource and information constraints inhibit women's access to quality health care which not only impacts their physical health but also their productivity and workforce participation. Improving women's access to affordable primary and secondary health care is essential for a poverty-free society and for reducing income inequalities. It is for this reason that Kashf has made significant efforts to seek affordable and sustainable solutions

to provide a holistic suite of health services that integrate preventive and curative care.

The journey that started in 2007 with the bundling of inpatient cover through insurance has continued and expanded over the years and now includes primary health care services including outpatient cover through free health camps and health clinics, and health education through trainings.

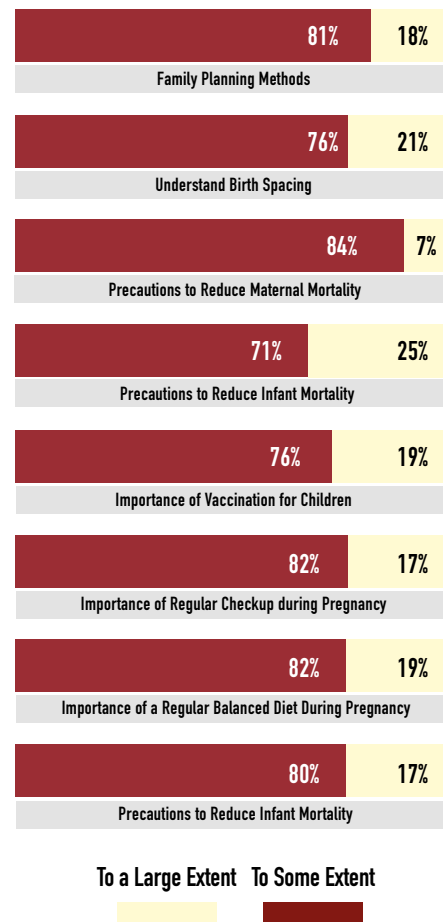
All these efforts made by Kashf to ensure that women can access quality health care are in alignment with SDG 3 (Good Health and Well-Being), SDG 10 (Reduced Inequalities), and SDG 17 (Partnerships for the Goals).

## PRIMARY HEALTH CARE: PROMOTING HEALTH THROUGH KNOWLEDGE

Health Indicators for Pakistan confirm ineffective and unmet primary healthcare needs, especially for women and children. The maternal mortality ratio stands at 274 per 1,000 live births and has also not declined significantly in the last few years[1]. Maternal deaths due to preventable causes like sepsis, hemorrhage, and hypertensive crises are common. Only 33% of pregnant women make four or more visits to a health facility for antenatal care and almost half of the births still take place without skilled birth attendants[2]. In young children diarrhea, which accounts for 60% of infant and child deaths, and respiratory illnesses, which cause 20% of all deaths under the age of 5 years), are still the leading cause of infant and child mortality.

With access to healthcare services further constrained due to lack of income and limited awareness of the health care needs, Kashf recognizes the gap in affordable and effective primary healthcare solutions for not only disease management in the short run but also improved health outcomes in the long run. Therefore, over the years, Kashf has extended its overall focus on bridging the information gap related to the reproductive health of women. As of June 2024, Kashf has reached 80,000 women to educate them on issues and practices relating to family planning methods, the importance of birth spacing, steps that could prevent

infant and maternal mortality, and more. Taking into account the socio-cultural dynamics, Kashf expanded the ambit of these trainings to include mothers-in-law and men to utilize their influence in enabling change.



### Sheherbano Baji- Participant in Maternal and Reproductive Health Trainings

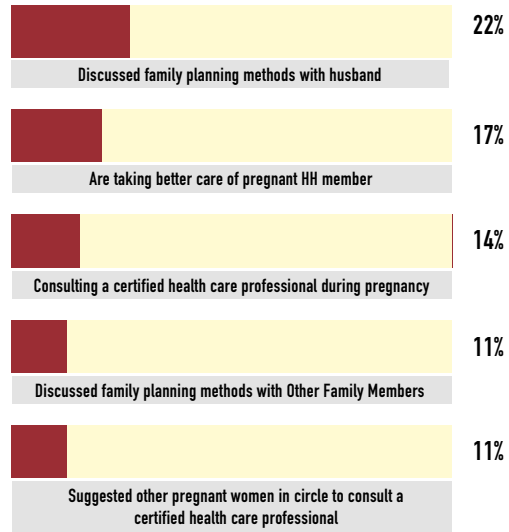
*"In my family, girls are married off at a young age, and my two daughters were married at just 12. Before Kashf's training, I didn't realize that many of the pre-natal complications my daughters and I faced were due to early marriages. My third daughter, now 12, was also engaged to her cousin. However, after the training, I decided to delay her marriage until she was older. I am determined to break this cycle and will not allow her to marry until she is 18, ensuring she doesn't face the same struggles. This ends here!"*

[1] <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7993172/>

A third-party assessment undertaken in 2023 to gauge the impact of the trainings showed an enhanced understanding of the participants on reproductive health issues and their management. The trainings also reflected the importance of such programs at the community level as about three-fourths of the women cited Kashf's training as the source from where they received that information.

As a result of improved information on the above, 22% of women discussed family planning methods with their husbands and 17% reported taking better care of an expectant mother in their household, thus translating into better reproductive health practices within households.

### CHANGE IN PRACTICE AFTER TRAINING



## PRIMARY HEALTH CARE: AFFORDABLE OUTPATIENT SOLUTIONS

Despite shouldering significant caregiving responsibilities and having greater healthcare needs, women often deprioritize their own health due to various social, cultural, and financial factors. These challenges contribute to a cycle of neglect that adversely affects their overall well-being. In response, Kashf's primary healthcare initiatives aim to alleviate affordability, availability, and mobility constraints for women seeking care. In partnership with insurance providers, Kashf organizes free health camps within its branches throughout Pakistan, offering consultations and free medications.



Over the past seven years, Kashf has organized 613 health camps that provided services to 77,000 patients, with 80% being women. The high attendance at these camps underscores the unmet primary health needs of low-income households and highlights how financial barriers to accessing care deter women from seeking necessary consultations.

To further enhance access to quality primary health care for women, Kashf has made a significant advancement by establishing a health clinic at its Nowshero Feroze branch in Sindh. This clinic oper-

ates on a "brick and click" model, providing free consultations and over-the-counter medications. The clinic serves approximately 20-25 patients daily, with 80% of them being women. To evaluate the clinic's impact on health expenditures, 100 respondents were surveyed about their treatment costs compared to visits to their regular healthcare providers. Results indicated that 69% experienced a reduction in health expenses after consulting at Kashf's clinic.

On average, patients reported spending Rs.1,922 at other medical facilities for outpatient consultations, while they only spent Rs.174 at Kashf's clinic. Respondents attributed this significant cost difference to consultation fees and medication costs typically incurred at other clinics.

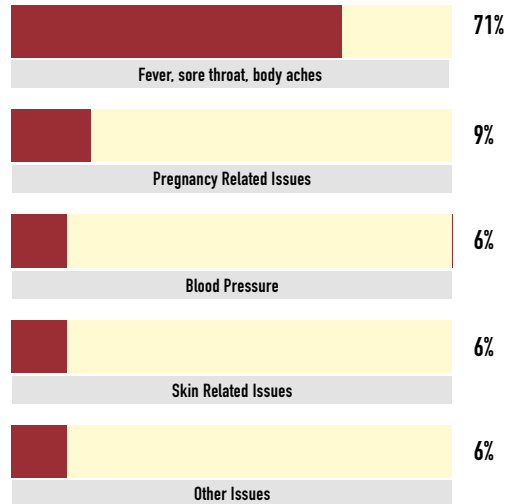
These findings underscore the substantial potential of Kashf's clinics to make primary health care more affordable for low-income families, particularly benefiting women who often face financial barriers in accessing necessary health services.



## FOR WHAT AILMENT DID YOU CONSULT THE CLINIC?

Additionally, the clinic fosters health education and awareness encouraging preventive practices that promote better long-term health.

Through telephonic correspondence, using the clinic platform, Kashf has provided preventive health information regarding communicable and non-communicable diseases like malaria, dengue, protection from heat waves, and diarrhea.





#### Promoting Health Through Knowledge

80,000 women educated on maternal and reproductive health

4,000 men trained on Maternal and Reproductive Health

#### Affordable Out Patient Care

77,000 patients through 613 health camps; 80% women

1,000 patients through Kashf's Clinic; 80% women

#### Specialized Care

16 million individuals covered

70% claims by women

#### **Bakhtawar Baji- Health Clinic User**

*Bukhtawar Baji shares her experience after being treated at the clinic: "I began experiencing blurred vision that hindered my embroidery work, and costly private clinic visits only worsened my condition. After visiting Kashf's OPD, I received effective treatment, much of it free, and my vision improved within weeks. I was able to restart my embroidery business and resume my income. I am very satisfied with the clinic's services and will continue seeking treatment there."*

## SPECIALIZED HEALTH SERVICES: INPATIENT COVER THROUGH INSURANCE

A significant part of Kashf’s efforts in removing barriers to healthcare include inpatient coverage through insurance. Access to specialized health care through risk coverage has been shown to have a direct relationship with increasing health-seeking behavior among women, leading to improved long-term health, productivity, and economic participation. Realizing the impact, Kashf introduced micro health insurance. An important feature of Kashf’s health insurance is the inclusion of maternity coverage to address the higher healthcare needs of women due to reproductive health.

Currently, Kashf is the largest distributor of health insurance to low-income households in Pakistan, with 40% of all micro health insurance provided through Kashf. With two insurance products, comprehensive inpatient insurance known as Kashf Sehatmand Zindagi Bima (KSZB) and a hospital

cash program known as Kashf Care (KC), Kashf has over 2,900,000 active policyholders with an average claims ratio of 73%, indicating a high uptake. Further bifurcation of the claims data also shows a higher claims uptake by women. Of the total claims received in the last year, 69% were made by women for their own treatment of the claims made by women, 83% were related to maternity while 17% were for other diseases, with half of them being gynecological issues.

The high incidence of women requiring treatment linked to reproductive health shows a higher need for health coverage for women compared to men. It also shows that in the absence of this facility, women will have greater out-of-pocket expenditures or may compromise on getting the required treatment due to limited disposable income, enhancing income inequality within the household.

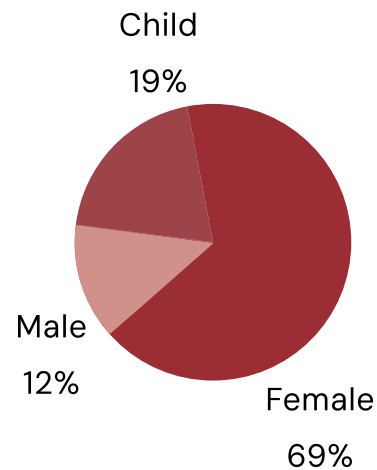
### **Kashf Sehatmand Zindagi Bima (KSZB):**

The product is bundled with the loan to cover expenses due to hospitalization of all immediate family members (client, her husband, unmarried daughters, and sons below 25 years of age), along with maternity cover.

### **Kashf Care (KC):**

The product is also bundled with the loan to cover the loss of wages in case of hospitalization.

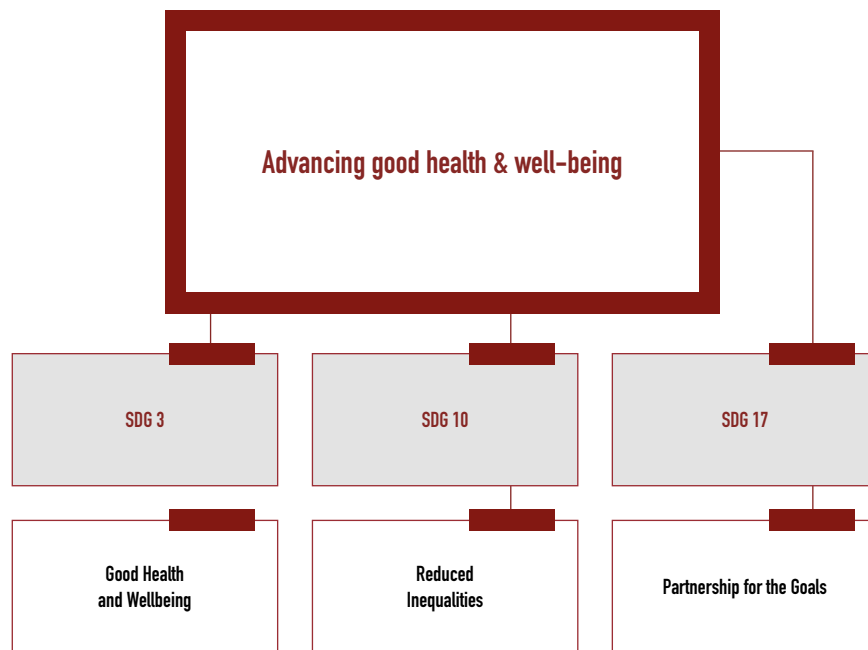
### **Claim Ratio Gender-wise**





Kashf's holistic suite of interventions—encompassing health education, outpatient services, and specialized treatment—demonstrates a strong alignment with and contribution to the achievement of the UN's Sustainable Development Goals (SDGs). Specifically, these efforts support SDG 3: Good Health and Well-Being by promoting comprehensive healthcare access; SDG

10: Reduced Inequalities by addressing health disparities among underserved populations; and SDG 17: Partnerships for the Goals by fostering collaboration with various stakeholders to enhance healthcare delivery. Through these initiatives, Kashf effectively addresses the multifaceted challenges of health access and equity, ultimately contributing to healthier communities.



### **Nida Shafique- KSZB User**

*"Kashf's KSZB facility was a lifeline during a difficult time when my husband was unable to work, and I needed a C-section. Their insurance covered most of the hospital bill, allowing me to get treatment without financial strain. The claims process was seamless, and I received the reimbursement within two weeks. Unlike previous times when I had to be hospitalized for deliveries, I didn't have to borrow money from anyone, and I'm incredibly grateful to Kashf for this essential facility"*

# ADVOCATING FOR GENDER EQUALITY THROUGH SUSTAINABLE CHANGE



Generating dialogue through advocacy has been a key component in Kashf's mission of transformation. Kashf has utilized several innovative ways to generate that change at the grassroots level and initiate debate on these issues at the national level.

## GENDER COUNCILS

Kashf initiates community-level dialogue through the establishment of Gender Councils, which engage active community members—both men and women—in advocating for change within their spheres of influence. These councils, moderated by a Gender Trainer, provide a platform for regular discussions on gender issues, the development of action plans, and the sharing of success stories. As of June 2024, Kashf has facilitated the establishment of 50 gender councils with 400 active members across Pakistan. In line with Kashf's mission of enhancing women's participation in society, 50% of the council members are women.

The council members comprise Kashf's clients, Lady Health Workers (LHWs), educationists, ex-councilors, and other community stakeholders who are sensitive to gender issues and are ready to engage with the community to bring transformation. The Gender Councils have played a pivotal role in raising awareness about critical issues such as the consequences of early marriage on women's health and well-being, the importance of girls' education, and the burden of unpaid care work. Through these efforts, the councils are nurturing a more gender-sensitive society and are driving meaningful change in their communities.

### **Zakia Ghulam Rasool- Gender Council Member**

*"As a Local Health Worker in Thatta, I volunteered at Kashf's Gender Council Session on early-age marriages. During a community discussion session, a distressed mother sought help to protect her two daughters, aged 13 and 11, from being forced into marriage to settle a family dispute. Having attended Kashf's sessions on the dangers of early marriage, she understood the severe health risks and lifelong inequality her daughters would face and refused to accept this fate. Together, we filed a petition in the district court, and the judge ruled in her favor, ordering police protection for the girls. I am proud to have worked with Kashf in providing a platform for justice and supporting this mother's brave stand for her daughter's future."*

## COMMUNITY THEATER



Through compelling storytelling and exceptional performances, in partnership with local theater groups, Kashf has tactfully highlighted a wide range of issues affecting women's health and opportunities through community theaters. The issues include but are not limited to, unpaid care work, family planning, early marriage, and gender sensitization. As of 2024, Kashf has organized 669 theater performances, reaching approximately 69,000 community members and addressing critical gender-related concerns.

Leveraging its network of schools through the Kashf School Sarmaya (KSS) initiative, Kashf has also used theater to raise awareness among children and school management. In 2023, Kashf conceptualized and executed a performance focused on the importance of hand washing and its impact on health, followed by a hands-on exercise. This event was attended by 600 children and 400 community members, furthering Kashf's efforts to promote health education at the community level and aligning with SDG 6; Clean Water and Sanitation.

## MEDIA CAMPAIGNS

To expand the reach of the awareness campaigns and initiate dialogue at a national level, Kashf ventured into a new and expansive realm of mainstream media and delivered powerful stories of women challenging societal norms, overcoming adversity, and standing tall in the face of criticism. These drama serials brought forth important issues that not only contributed to the policy-level discourse but also broke stereotypes regarding popular content in commercial television. The serials produced by Kashf include:

- **Rehai (2013):** Addressed child marriage, the discussion also contributes to the adoption of the Sindh Child Marriage Restraint Act, raising the minimum age of marriage to 18.
- **Udaari (2016):** Focused on child abuse. The issues raised in the serial initiated a national discussion on child abuse. The discussion also contributed to the discourse that led to the introduction of Anti-Rape Bill which introduced death penalty or life imprisonment for rape of minors or mentally/physically disabled individuals.

- **Aakhri Station (2018):** Covered the multiple issues relating to domestic violence and mental health issues.
- **Dil Na Umeed To Nahi (2021):** Explored in depth the dark reality of society which manifests itself in the form of human trafficking
- **Kuch Ankahi (2023):** Addressed the issue of inequality in property rights and gender stereotypes

Kashf latest production, Zard Patton Ka Bunn has discussed the importance of family planning and has attempted to shed light on the barriers faced by women in accessing health and education.

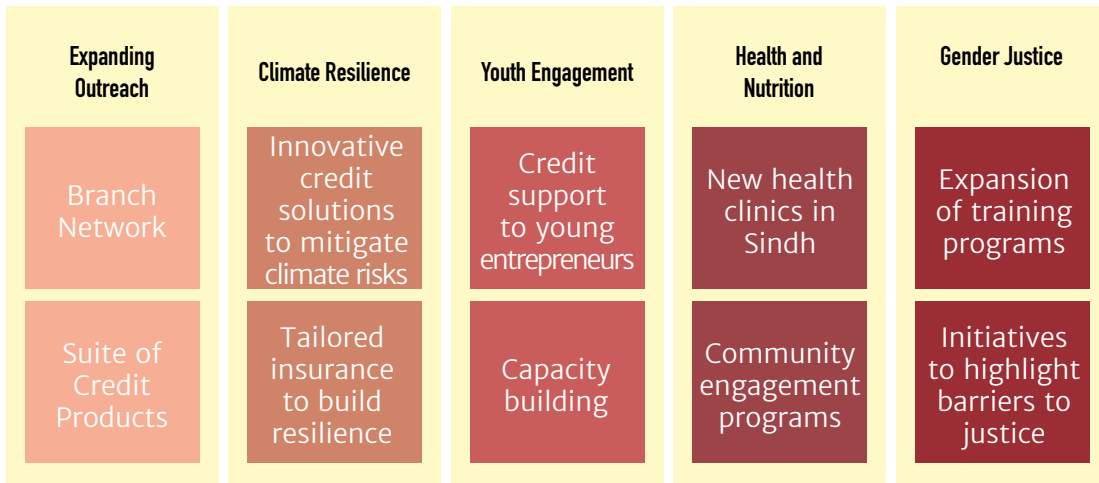
Through community engagements and media campaigns, Kashf is aiming for a gender-equal society where women’s access to opportunities is enhanced and inequalities are reduced as a result. The multi stakeholders’ partnerships in cascading the gender equality messages across a wide group of audiences, Kashf is contributing to the achievement of SDG 5 (gender equality), SDG 10 (reduced inequalities), and SDG 17 (partnerships for the goals).



# Zard PATTON KA BUNN



## LOOKING AHEAD



Advancing the mission to transform lives through women's economic empowerment, Kashf is excited to share the interesting initiatives for the coming year. In Financial Year-2024-2025, Kashf aims to expand its operations reaching new areas to further its mission of a gender-equal poverty-free society. With a focus on financial inclusion, climate resilience, health and nutrition, youth entrepreneurship, and gender justice advocacy, Kashf aims to expand the product offerings to provide a holistic solution to tackle the multiple dimensions of poverty that present themselves as barriers to women's financial inclusion.

To combat the pressing challenges posed by climate change, Kashf will be recalibrating its financial products and services using both a gender lens and a climate resilience approach. The goal is to develop innovative climate insurance and financial solutions that directly address climate-related risks. Additionally, Kashf is developing innovative products to help households manage health challenges during climate-related disasters and reforming

health insurance to meet the unique needs of low-income families in vulnerable areas. Moreover, Kashf will be developing agricultural credit products to support rural households, also most vulnerable to climate change, thus ensuring food security for low-income communities.

Kashf is particularly looking forward to engaging with youth through its micro-equity program especially designed to ignite entrepreneurial spirit by providing training and credit support thus enabling young innovators to bring their business ideas to life. Alongside this, Kashf's training programs will equip young girls with essential financial literacy and digital skills, empowering them to take control of their financial futures with confidence.

To enhance educational access for girls, Kashf will focus on improving the quality of education in low-income private schools, particularly for female students. By improving educational outcomes for girls, Kashf aims to create a pathway for future opportunities, ensuring that education serves as a powerful tool for

empowerment. Moreover, to enhance economic opportunities, Kashf will be offering credit facilities that will support female mobility through two-wheelers, improving women's access to jobs and resources. Kashf is also introducing credit products that promote renewable energy adoption, tackling the critical issue of energy poverty head-on.

In the realm of health and nutrition, Kashf is set to establish new health clinics in Sindh, specifically designed to serve low-income women and families. These clinics will provide affordable primary healthcare, addressing the unique health challenges faced by women in these communities. Kashf's

engaging community programs will continue to flourish, using theater and interactive training sessions to tackle critical health topics, from maternal care to nutrition and chronic diseases. In Kashf's commitment to fostering equality, Kashf aims to conduct gender justice training that raises awareness and sensitizes both men and women to the importance of gender equity. Kashf's advocacy efforts will also highlight the barriers women face in accessing justice, highlighting their profound impact on society as a whole. Through these exciting initiatives, Kashf is dedicated to empowering women and creating a more economically secure future for all.



# MESSAGES FROM OUR PARTNERS

## SAUDI PAK



Saudi Pak's issuance of a PKR 1.0 billion repayment guarantee to the Kashf Foundation is a strategic initiative that enables the expansion of financial services to women, small businesses, and underserved communities. This partnership underscores Saudi Pak's dedication to driving impactful and sustainable growth while addressing key social and economic challenges. By broadening access to financial inclusion, the initiative exemplifies Saudi Pak's forward-looking approach to creating meaningful, long-term contributions to economic resilience and inclusive progress, benefiting communities across Pakistan.

## BIO



Kashf exemplifies BIO's investment principles, demonstrating resilience, a strong commitment to gender empowerment, and a proven track record of driving positive social change. Operating in a challenging environment characterized by high illiteracy rates, limited workforce participation, and economic instability, Kashf has consistently delivered affordable financial and non-financial services to low-income households.

Through its innovative business model, Kashf has not only survived but thrived, earning recognition for its contributions to poverty alleviation and women's empowerment. The organization's unwavering adherence to the SDGs aligns perfectly with BIO's mission to promote financial inclusion for underserved populations. Kashf's leadership in advancing gender equality, both within its organization and through its social advocacy initiatives, further underscores its commitment to creating a more equitable and inclusive society.



## Incofin



At Incofin Investment Management, we invest for impact to drive inclusive progress and sustainable transitions. Our long-standing partnership with Kashf Foundation is an example of our shared commitment to expand access to financial services for underserved communities. We aim to improve resilience to climate change and empower women to be changemakers in their own communities. Incofin looks forward to standing beside Kashf and delivering this vital work for many years to come.

## Enabling Qapital



At Enabling Qapital, our partnership with Kashf Foundation reflects our shared vision of advancing financial inclusion and women's empowerment. Kashf's innovative microfinance solutions, combined with their comprehensive services, align perfectly with our mission to create lasting social and financial impact.

We are particularly impressed by Kashf's pioneering work in developing accessible financial products for underserved communities, especially their women-centric health insurance, which addresses critical needs in low-income households and offers transformative support.

Kashf's holistic model, integrating financial products with skills development and social advocacy, demonstrates a deep understanding of the challenges faced by women entrepreneurs. By providing both access to finance and vital support, Kashf equips women to thrive as business owners and community leaders.

As we look to the future, our partnership continues to drive meaningful progress in Pakistan's financial landscape. Together, we are not just expanding access to financial services but helping build a more inclusive and resilient economic future for all.

## Proparco



Proparco is proud to work with Kashf Foundation, whose dedication to financial inclusion of Pakistani women contributes to the UN Sustainable Development Goals. By providing financial services to low-income households, Kashf aims to reduce poverty and foster economic growth through the development of micro-businesses. We fully support Kashf's creative initiatives to promote gender equality, empower women, and enhance the resilience of rural communities against climate change. As we look "Beyond the Horizon", we believe that our long-standing partnership will build a sustainable and inclusive future for the next generations.

## ADB

The partnership between the Asian Development Bank (ADB) and Kashf Foundation is significantly contributing to advancing financial services, particularly for women-led micro, small, and medium-sized enterprises (MSMEs) in Pakistan. ADB's support includes a \$25 million syndicated loan to expand the foundation's lending operations, which is crucial for improving women's access to finance. This access is vital in empowering women economically, addressing the limited financial inclusion for women and MSMEs, and contributing to Pakistan's sustainable development.



The partnership aligns with the UN Sustainable Development Goals (SDGs), particularly SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth), by helping low-income women entrepreneurs and households gain access to financial products and services. Through this collaboration, Kashf Foundation supports a more inclusive financial sector, which is essential for sustainable growth in Pakistan's underserved communities.

In 2024, the partnership continues to focus on expanding the reach of microfinance to uplift women-led enterprises. This collaboration is part of ADB's broader agenda to promote gender equality and inclusive financial development across Asia and the Pacific.

## GLOBAL AFFAIRS CANADA

Canada firmly believes that promoting gender equality and empowering women and girls is the most effective approach to eradicating poverty and building a more peaceful, inclusive, and prosperous world. This belief underpins all our initiatives and drives our commitment to transformative change, which is why we are proud to partner with the Kashf Foundation to advance gender equality and equitable growth in Pakistan. Through our partnership, we are enabling women and girls to exercise their decision-making capacity and agency as entrepreneurs, raising awareness around social and cultural norms related to women's and girls' economic roles in communities, and changing perceptions of women's formal participation in the workforce. Together, we are making strides towards a world where everyone can thrive. We recognize the importance of this partnership and the impactful collaboration with Kashf Foundation, and we look forward to continuing our work together to create lasting positive change.



# KASHF SUPPORTERS



**KASHF FOUNDATION**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2024**



A·F·FERGUSON&CO.

## INDEPENDENT AUDITOR'S REPORT

To the members of Kashf Foundation

Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of Kashf Foundation (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in accumulated funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information 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 accumulated funds and the statement of cashflows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by 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 June 30, 2024 and of the deficit and other comprehensive loss, the changes in accumulated funds and its cashflows 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.

### Information Other than the Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

47

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan.  
Tel: +92 (42) 3519 9343-50 / Fax: +92 (42) 3519 9351 [www.pwc.com/pk](http://www.pwc.com/pk)



### **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.

### **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.

AT



## A·F·FERGUSON&CO.

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 accumulated 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).

The engagement partner on the audit resulting in this independent auditor's report is Hammad Ali Ahmad.

**A. F. Ferguson & Co.,  
Chartered Accountants**

**Lahore**

**Date:** October 10, 2024

**UDIN:** AR202410092nQWIkSms1

**KASHF FOUNDATION**

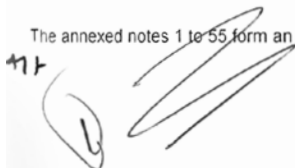
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)


**STATEMENT OF FINANCIAL POSITION**

AS AT JUNE 30, 2024

	Note	2024	2023
		Rupees	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	6	1,904,908,887	1,889,628,074
Intangible assets	7	31,625,362	38,617,623
Long term investments	8	507,620,068	1,515,041,241
Long term loans	9	17,100,880	4,683,203
Long term micro-credit loan portfolio	10	66,855,184	125,343,694
Long term Kashf murabaha portfolio	11	2,217,376	3,979,475
Financial assets used for hedging		-	1,674,557,786
Long term deposits	12	152,151,700	149,563,360
		2,682,479,457	5,401,414,456
<b>CURRENT ASSETS</b>			
Micro-credit loan portfolio	13	27,771,201,709	25,353,329,147
Kashf murabaha portfolio	14	1,124,075,762	1,012,914,280
Accrued service charges	15	517,284,248	439,397,389
Short term investments	16	6,864,488,934	2,577,479,811
Financial assets used for hedging		-	3,711,773,107
Advances, deposits, prepayments and other receivables	17	707,543,775	1,146,027,509
Cash and bank balances	18	8,720,866,086	5,528,819,109
		45,705,460,514	39,769,740,352
		<u>48,387,939,971</u>	<u>45,171,154,808</u>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Donated funds	19	237,255,711	237,005,711
Accumulated surplus		6,905,971,716	7,701,459,418
Loan loss reserve	20	1,456,694,519	1,333,126,498
Special reserve	21	226,443,054	226,443,054
Hedging reserve	22	(19,463,980)	109,184,578
Surplus on revaluation of land	23	448,928,205	735,947,877
		9,255,829,225	10,343,167,136
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	24	15,317,323,321	16,258,482,379
Lease liabilities	25	107,975,231	52,321,467
Deferred tax liability	26	214,893,584	-
		15,640,192,136	16,310,803,846
<b>CURRENT LIABILITIES</b>			
Current portion of long term financing	24	18,602,420,519	15,987,442,896
Current portion of lease liabilities	25	82,136,650	54,483,938
Short term borrowings	27	1,178,335,845	437,716,757
Deferred grants	28	261,093,273	441,793,401
Financial liabilities used for hedging	29	226,803,709	-
Accrued markup	30	916,123,694	925,872,994
Trade and other payables	31	2,225,004,920	669,873,840
		23,491,918,610	18,517,183,826
<b>CONTINGENCIES AND COMMITMENTS</b>			
	32		
		<u>48,387,939,971</u>	<u>45,171,154,808</u>

The annexed notes 1 to 55 form an integral part of these financial statements.


  
Chief Executive Officer


  
Chief Financial Officer


  
Director



**KASHF FOUNDATION**  
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
**STATEMENT OF INCOME AND EXPENDITURE**  
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	
<b>INCOME</b>			
Mark-up and other charges on micro-credit loan portfolio	33	11,615,150,998	8,777,444,166
Profit and other charges on Kashf murabaha portfolio	34	483,196,472	339,842,914
Grant income	35	302,846,265	263,915,302
Return on investments and bank deposits	36	2,205,747,328	1,078,473,286
		14,606,941,063	10,459,675,668
<b>LESS: EXPENDITURE</b>			
Programme cost	37	3,945,094,386	3,044,078,292
Expected credit losses on micro-credit loan portfolio, Kashf murabaha portfolio and accrued service charges		62,080,382	120,472,951
Grant expenses	38	302,846,265	263,915,302
Finance cost	39	7,353,033,011	4,593,881,615
		11,663,054,044	8,022,348,160
		2,943,887,019	2,437,327,508
Less: Management and administrative expenses	40	682,749,808	525,900,811
Less: Other expenses	41	174,577,958	-
		857,327,766	525,900,811
Other income	42	467,443,152	682,529,278
<b>SURPLUS OF INCOME OVER EXPENDITURE BEFORE MINIMUM TAX DIFFERENTIAL AND INCOME TAX</b>		2,554,002,405	2,593,955,975
Final and minimum tax differential	43	(135,933,387)	-
<b>SURPLUS OF INCOME OVER EXPENDITURE BEFORE TAXATION</b>		2,418,069,018	2,593,955,975
Taxation expense			
Current - For the year	44	(960,836,628)	-
Prior year		(2,201,278,159)	-
Deferred	26	72,126,088	-
<b>(DEFICIT) / SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR</b>		<b>(671,919,681)</b>	<b>2,593,955,975</b>

The annexed notes 1 to 55 form an integral part of these financial statements.

71

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

**KASHF FOUNDATION**

(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

**STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED JUNE 30, 2024

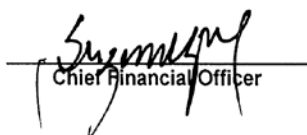
	2024	2023
	Rupees	
(DEFICIT) / SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR	(671,919,681)	2,593,955,975
<b>OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR:</b>		
Items that may be reclassified to statement of income and expenditure in subsequent periods:		
<b>Cashflow hedges</b>		
- effective portion of changes in fair value	(5,613,134,602)	2,799,222,804
- reclassified to income and expenditure	4,962,787,367	(3,004,100,334)
- reclassification of forward points to income and expenditure - net	521,698,677	287,503,494
	(128,648,558)	82,625,964
Items that will not be reclassified to statement of income and expenditure in subsequent periods:		
Surplus on revaluation of freehold land	-	435,744,740
<b>Deferred tax</b>		
- Revaluation Surplus	(287,019,672)	-
<b>OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR</b>	(415,668,230)	518,370,704
<b>TOTAL OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR</b>	<u>(1,087,587,911)</u>	<u>3,112,326,679</u>

The annexed notes 1 to 55 form an integral part of these financial statements.

MF



Chief Executive Officer



Chief Financial Officer




Director

**KASHF FOUNDATION**  
 (A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
 STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2024


	Note	Revenue reserves			Capital reserves				Total
		Donated funds	Accumulated surplus	Loan loss reserve	Special reserve	Hedging reserves	Surplus on revaluation of land		
Rupees									
Balance as at July 1, 2022		237,005,711	5,585,179,603	984,148,137	96,745,255	26,558,614	300,203,137	7,230,840,457	
Total comprehensive income		-	2,593,955,975	-	-	-	-	2,593,955,975	
Surplus for the year		-	-	-	-	82,625,964	435,744,740	518,370,704	
Other comprehensive income for the year		-	2,593,955,975	-	-	82,625,964	435,744,740	3,112,326,679	
Micro-credit loan portfolio disbursed against donated funds		-	-	-	-	-	-	-	
Transferred from accumulated surplus to loan loss reserve	20	-	(348,978,361)	348,978,361	-	-	-	-	
Transferred from accumulated surplus to special reserve	21	-	(129,697,799)	-	129,697,799	-	-	-	
Balance as at June 30, 2023		237,005,711	7,701,459,418	1,333,126,498	226,443,054	109,184,578	735,947,877	10,343,167,135	
Total comprehensive (loss) / income		-	(671,919,681)	-	-	-	(287,019,672)	(671,919,681)	
(Deficit) / surplus of income over expenditure for the year		-	(671,919,681)	-	-	(128,648,598)	(287,019,672)	(415,668,230)	
Other comprehensive loss for the year		-	(671,919,681)	-	-	(128,648,598)	(287,019,672)	(1,087,587,911)	
Micro-credit loan portfolio disbursed against donated funds		250,000	-	-	-	-	-	250,000	
Micro-credit loan portfolio write-offs against donated funds		-	-	-	-	-	-	-	
Transferred from accumulated surplus to loan loss reserve	20	-	(123,568,021)	123,568,021	-	-	-	-	
Transferred from accumulated surplus to special reserve	21	-	-	-	-	-	-	-	
Balance as at June 30, 2024		237,255,711	6,905,971,716	1,456,694,519	226,443,054	(19,463,980)	448,928,205	9,255,829,225	

The annexed notes 1 to 55 form an integral part of these financial statements.

Chief Executive Officer



Chief Financial Officer



Director

**KASHF FOUNDATION**

(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rupees	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Surplus of income over expenditure			
before minimum tax differential and income tax		2,554,002,405	2,593,955,975
<b>Adjustments for non cash items:</b>			
Depreciation	6.3	222,424,155	187,769,472
Amortisation	7.1.1	10,212,291	7,184,992
Reclassification from intangibles	7.2	-	3,874,727
Adjustment in right-of-use assets and lease liabilities	6.1 & 25	-	1,300,202
Mark-up on lease liabilities	25.2	31,811,897	17,222,029
Grant income	35	(302,846,265)	(263,915,302)
Return on investments and bank deposits	36	(2,205,747,328)	(1,078,473,286)
Reclassification of unrealised forward points	39	521,698,677	287,503,494
Amortisation of transaction costs of long term loans	39	91,862,203	92,505,649
Finance cost on borrowings	39	5,757,544,197	3,931,155,690
Fair value gain on mutual funds	42	-	(5,699,493)
Fair value gain on investment property	42	-	(10,000,000)
Dividend income	42	(389,567,195)	(7,494,056)
Foreign exchange loss / (income) - net	41	56,305,443	(451,058,394)
Gain on disposal of property and equipment	42	(20,784,767)	(38,071,006)
Gain on termination of lease	42	(2,158,883)	(3,572,688)
Liabilities written back	42	(11,807,059)	(132,722,675)
Expected credit losses on micro-credit loan portfolio, Kashf murabaha portfolio and accrued service charges		62,080,382	120,472,951
		<u>3,820,827,748</u>	<u>2,657,982,306</u>
<b>Surplus before working capital changes</b>		<b>6,374,830,153</b>	<b>5,251,938,281</b>
<b>Effect on cash flows due to working capital changes</b>			
<b>(Increase) / decrease in current assets</b>			
Increase in micro-credit loan portfolio		(2,417,709,315)	(6,731,984,089)
Increase in Kashf murabaha portfolio		(112,986,919)	(270,964,297)
Increase in accrued service charges		(78,054,442)	(181,271,966)
Increase in advances, deposits, prepayments and other receivables		(157,773,862)	(64,115,601)
		<u>(2,766,524,538)</u>	<u>(7,248,335,953)</u>
<b>Increase / (decrease) in current liabilities</b>			
Increase in deferred grants		122,396,137	518,588,107
Increase in trade and other payables		351,388,557	(190,281,585)
		<u>473,784,694</u>	<u>328,306,522</u>
<b>Cash generated from / (used in) operations</b>		<b>4,082,090,309</b>	<b>(1,668,091,150)</b>
<b>Finance cost paid</b>			
Finance cost paid		(5,767,293,497)	(3,605,992,205)
Long term loans disbursed - net		(12,417,677)	(3,462,063)
Long term deposit paid - net		(2,588,340)	(64,600,000)
Tax paid		(1,451,453,032)	-
		<u>(7,233,752,546)</u>	<u>(3,674,054,268)</u>
<b>Net cash used in operating activities</b>		<b>(3,151,662,237)</b>	<b>(5,342,145,418)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(80,841,295)	(679,768,060)
Sale proceeds from disposal of property and equipment		21,860,931	39,249,814
Return received on investments and bank deposits		2,152,636,732	1,000,408,404
Long term and short term investments made - net		(2,908,039,947)	(2,078,014,915)
<b>Net cash used in from investing activities</b>		<b>(814,383,579)</b>	<b>(1,718,124,757)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Transaction costs paid for long term loans		(81,026,064)	(139,479,007)
Payment of lease liabilities		(107,306,405)	(104,910,735)
Long term and short financing obtained - net		6,370,411,662	6,337,494,451
<b>Net cash generated from financing activities</b>		<b>6,182,079,193</b>	<b>6,093,104,709</b>
Effect of exchange rate changes on cash and cash equivalents		(18,159,720)	127,314,665
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>2,197,873,657</b>	<b>(839,850,801)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>5,528,819,109</b>	<b>6,368,669,910</b>
<b>Cash and cash equivalents at the end of the year</b>	45	<b>7,726,692,766</b>	<b>5,528,819,109</b>

The annexed notes 1 to 55 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Director

## KASHF FOUNDATION

(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

#### 1 Corporate and general information

##### 1.1 Legal status and operations

Kashf Foundation ("the Company") was incorporated in Pakistan on February 2007 as a public company limited by guarantee, not having a share capital and licensed as a non-profit organization under section 42 of the Companies Ordinance, 1984 (now the Companies Act, 2017). In October 2016, the Company received license from Securities and Exchange Commission of Pakistan (SECP), to carry out investment finance services as a non-banking finance company under rule 5 of the Non Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules).

The principal activity of the Company is to provide cost effective micro-finance services to poor households in order to enhance their economic role and allow self-employed individuals a sustained opportunity of matching existing skills with financial resources. The Company also provides non-financial services in the form of training through vocational training centers both to its borrowers and to its staff. Registered office of the Company is situated at 1-C, Shahrah Nazaria-e-Pakistan, Lahore. The Company has 11 (2023: 11) regional offices, 68 (2023: 68) area offices and 382 (2023: 382) branches in Pakistan. The Pakistan Credit Rating Agency (PACRA) has assigned the long-term rating of A with stable outlook and short term rating of A1 to the Company.

#### 2 Statement of compliance

2.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not for Profit Organizations (Accounting Standard for NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017;
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations);
- Islamic Financial Accounting Standards (IFAS) issued by the ICAP as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017, NBFC Rules and NBFC Regulations differ from the IFRS Standards or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act, 2017, NBFC Rules and NBFC Regulations have been followed.

2.2 During the year, the Institute of Chartered Accountants of Pakistan ("ICAP") has withdrawn Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" vide its circular No. 07/2024 dated May 15, 2024 ("the Guidance"). According to the Guidance, the minimum taxes and the final taxes that are not calculated on the 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis in excess of normal tax liability, and the tax deducted at source other than from dividends from subsidiaries, joint ventures and associates under final tax regime, are out of scope of IAS 12 "Income Taxes" and fall in the ambit of IFRIC 21 "Levies" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

### 2.3 Interpretations and amendments to published approved accounting standards that became effective during the year

Certain amendments and interpretations to approved accounting standards are effective for the annual period beginning on or after July 1, 2023 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

### 2.4 Standard, Interpretations and amendments to published approved accounting standards that are not yet effective

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after July 1, 2024 or later periods, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

Standard or Interpretation		Effective date (Annual periods beginning on or after)
IAS 1	Amendment to IAS 1 – 'Classification of liabilities as current or non-current' and 'Non-current liabilities with covenants'	January 1, 2024
IFRS 16	Amendment to IFRS 16 – Leases' related to sale and lease back after the date of transaction	January 1, 2024
IAS 7 & IFRS 7	Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements	January 1, 2024
IAS 21	Amendments to IAS 21 - Lack of Exchangeability	January 1, 2025
IFRS 9 & IFRS 7	Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 18	IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS S1	General requirements for disclosure of sustainability-related financial information	January 1, 2024
IFRS S2	Climate-related disclosures	January 1, 2024

The management is in the process of assessing the impact of changes laid down by these standards on its financial statements.

## 3 Basis of preparation

### 3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention, except where specific basis of measurement has been mentioned in relevant notes. In these financial statements, except for statement of cash flows, all the transactions have been accounted for on accrual basis.

### 3.2 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures have been rounded off to the nearest rupee, unless otherwise stated.

## 4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates, associated assumptions and judgments are continually evaluated and are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

۱۱۲





A COMPANY SET UP UNDER SECTION 42  
OF THE COMPANIES ACT, 2017



1C, Shahrah-e-Nazria-  
e-Pakistan, Lahore,  
Pakistan



Tel: +92 (42) 111 981 981  
Fax: +92 (42) 3524 8916



[www.kashf.org](http://www.kashf.org)