



DAMEN SUPPORT PROGRAMME

ISSUE 6
MAY 2025

DSP UPDATES

MONTHLY NEWSLETTER

Product Wise Segregation of Portfolio

Sr #	Murabaha Products	# Of Loans	OLP (PKR Millions)
1	Handicraft & Embroidery	164	7
2	Agriculture & Livestock	3,628	165
3	Trade and Business	1,799	99
4	Tailoring & Clothing	5,962	260
	Total	11,553	531
Sr #	Conventional Products	# Of Loans	OLP (PKR Millions)
1	Handicraft & Embroidery	1,718	92
2	Agriculture & Livestock	20,702	992
3	Trade and Business	18,601	948
4	Tailoring & Clothing	49,687	2,507
5	PMYB	374	31
6	Gold Finance	193	31
	Total	91,275	4,601
	Grand Total	102,828	5,132

Progress Review Meeting Held at Head Office

A progress review meeting was convened at the Head Office to evaluate ongoing performance and operational developments. The session was chaired by the Honorable CEO and attended by the COO, GM Operations, Operation Managers, and all Area Managers. Discussions centered on performance targets, field-level challenges, and strategic planning aimed at improving overall efficiency, portfolio quality and maximizing impact.

PAR Zero Branches

No Branch in Jul'24 to 8 branches in May'25

Maraka, Jumber, Nakana, Muslim Town, and Daska branches have once again demonstrated outstanding performance by consistently maintaining zero PAR. After a one-month gap, Phoolnagar has proudly rejoined this distinguished group, while Chunian, Kamalia, and Bholagarhi (SB) have newly secured their place by the end of May 2025.

This remarkable progress reflects the dedication of individual branches and the effectiveness of monitoring and support systems in place. This achievement highlights the unwavering commitment of our field teams and the continued strong timely repayment culture started within DSP.

Kasur, Okara, and Maraka Show Consistent Excellence in Client Outreach

Kasur, Okara, and Maraka areas have retained the top three positions in active client portfolios for the third consecutive month. The total number of active clients across all areas has reached 102,828, reflecting steady growth and strong field performance.

Kasur Claims Top Spot in OLP Ranking

Kasur and Niaz Baig swapped positions in the outstanding loan portfolio rankings this month, with Kasur advancing to 1st place and Niaz Baig moving to 2nd. Maraka retained its 3rd position. DSP's total OLP now stands at PKR 5.13 billion.

Kasur Retains Lead in Number of Loans Disbursed

Kasur continued to hold the top position in the number of loans disbursed in a month. Sheikhpura moved up to 2nd place, replacing Maraka, which shifted to 3rd this month. The total number of disbursements across all areas reached 10,296 loans, reflecting strong demand and outreach.

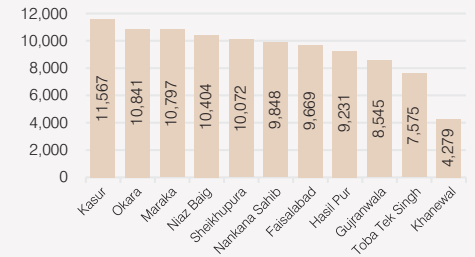
Kasur Retains Top Spot in Disbursed Amount

Kasur retained the top position for the highest amount disbursed during the reporting month. Sheikhpura moved up to 2nd place, replacing Maraka, while Niaz Baig maintained its 3rd position. The total disbursement amount across all areas stood at PKR 908 million during the month, reflecting robust financial activity.

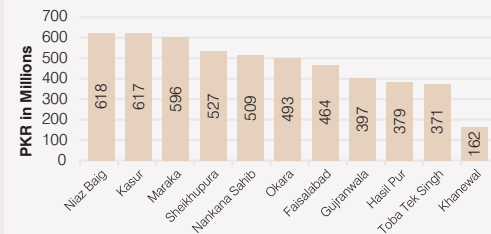
PAR Ratio Remains Stable

The PAR>29 Days ratio showed a positive trend, hovering around 1% over the past three months. The Outstanding Loan Portfolio (OLP) has reached PKR 5.13 billion—the highest in the reported period. This generally reflects effective credit risk management as DSP continues to expand its outreach.

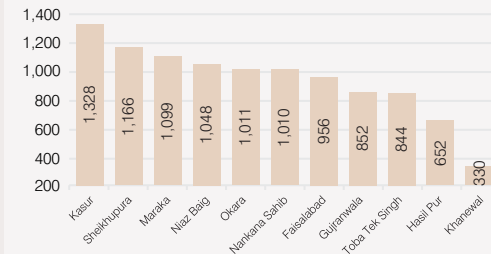
Active Clients Portfolio



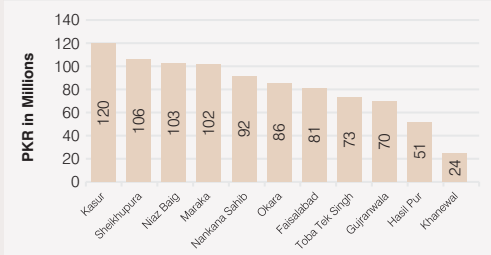
Outstanding Loan Portfolio



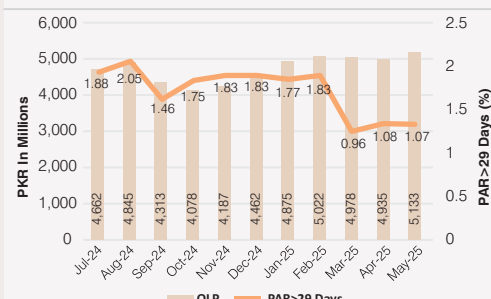
Loans Disbursed



Amount Disbursed



OLP & PAR>29 Review Jul 24 - May 25



Strategic Vision: DSP Board Meeting Held at PC Bhurban



On May 3rd, DSP convened its Board Members' meeting at PC Bhurban to review the organization's strategic direction and assess the progress of key initiatives and ongoing projects.

The session facilitated insightful discussions focused on strengthening DSP's operational effectiveness and broadening its impact in the microfinance sector. Board members shared valuable perspectives on advancing the organization's mission and ensuring sustainable growth. The meeting reaffirmed DSP's commitment to financial inclusion and the delivery of innovative, community-focused solutions that empower underserved populations across the region.

Complaints Handling

During the month of May, DSP's Complaint Cell received a total of 59 complaints. Of these, 44 were successfully resolved, while 15 are currently in the resolution pipeline. The team remains committed to addressing client concerns promptly and effectively.

Regulatory Oversight:

SECP Representatives Visits DSP Head Office

A team from the SECP, led by Mr. Qaiser Iqbal, Additional Joint Director of the SECP Supervision Division, Karachi, conducted an onsite inspection at DSP's Head Office on May 31st. During the visit, they held meetings with senior management. The purpose of the visit was to review regulatory compliance and gain deeper insight into DSP's operational and governance practices.

System Enhancements & Updates

This month marked the successful implementation of several key system enhancements, aimed at improving operational efficiency, user experience, and data security across departments.

- A notable development is the deployment of a village-wise recovery feature on the Test Server, allowing more granular tracking of loan recovery at the village level for better monitoring and analysis.
 - Security measures have also been strengthened. The password reset process now includes a temporary security code valid for 15 minutes, ensuring enhanced protection and a smoother user experience.
 - In compliance improvements, the Client CNIC Screening System has been upgraded to ensure accurate cross-verification with the
 - NACTA proscribed list, supporting stronger risk management practices.
- The Leave Management System in the HR module has been refined to simplify the application and approval process, making it more efficient for both employees and managers.
- The email management system has now been upgraded from the previous cPanel/Webmail to MS-365 with enhanced set of communications, productivity tools and extended cloud storage.

Risk Management Department Training Session

A training session for the Risk Management Department was held on May 30th, with the participation of 40 staff members. Led by Mr. Arslan, Deputy Manager – Credit Risk, the session focused on key policy revisions and alignment with updated risk management guidelines. To further strengthen team cohesion, the session also included engaging team-building activities. The CEO's presence and encouraging remarks underscored the organization's commitment to staff motivation and fostering a collaborative, growth-oriented work environment.



Candles, Cake & Colleagues

DSP celebrated the birthdays of the following Head Office staff members born in May, as part of its ongoing initiative to foster a positive and inclusive work culture:

- Ms. Khadija Randhawa – Sr Manager Finance
- Mr. Irfan Naeem – Manager Internal Audit
- Mr. Muzzaffar Saleem – DM Recruitment
- Ms. Farzana Sagheer – Assistant Manager HR
- Mr. Mohsin Raza – Cleaner

Building on the spirit of recognition and togetherness fostered at the Head Office, the initiative extended to DSP's Ali Razaabad Branch, where the birthday of Mr. Abdul Majeed (Senior Accounts Officer) was also joyfully celebrated.

These monthly celebrations reflect DSP's commitment to appreciating its team members and promoting a sense of camaraderie across the organization.



Due Diligence Meetings

As part of DSP's ongoing efforts to strengthen partnerships and institutional capacity, a series of due diligence meetings were held with key financial institutions during May 2025.

i. Meezan Bank Team



On May 5th, DSP hosted a due diligence visit by Mr. Kamran Akram Bakshi and Mr. Rehan Waheed from Meezan Bank. The session focused on reviewing DSP's operational framework and financial systems in light of Islamic financial principles. In addition to the review, both parties explored collaboration opportunities in Islamic Microfinance, expressing a shared vision of expanding access to Shariah-compliant services for underserved communities.

ii. BlueOrchard Team

On May 21st, DSP team met with Mr. Irakli Gamkhvetelashvili and Mr. Lado Jobava from BlueOrchard. The team held detailed meetings with the Board members, CEO, and departmental heads, covering governance, operations, finance, risk, and audit through separate sessions. These discussions provided BlueOrchard with valuable insights into DSP's institutional capacity and impact-focused approach. The session reaffirmed DSP's commitment to transparency and collaboration with global impact investors.

iii. Soneri Bank Team

Concluding the series of engagements, DSP's CEO, CFO, and Senior Manager Finance met with Mr. Usama Khalid and Mr. Muhammad Saqib from Soneri Bank on May 23rd. The meeting focused on establishing a credit line to support DSP's expanding microfinance operations and financial sustainability.

These meetings reflect DSP's continued focus on strategic growth, accountability, and partnership building to advance its mission of inclusive financial services.

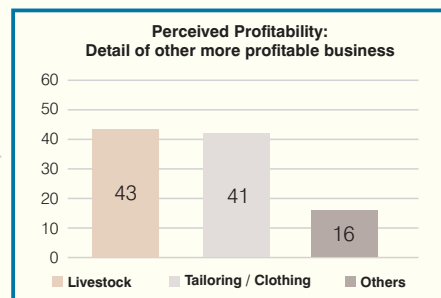
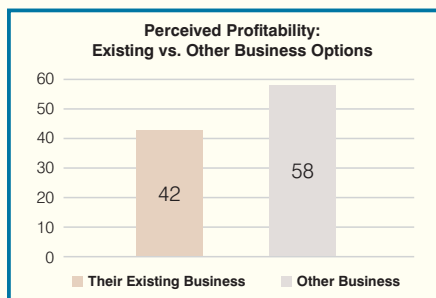
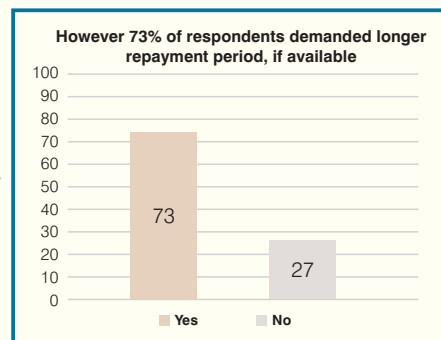
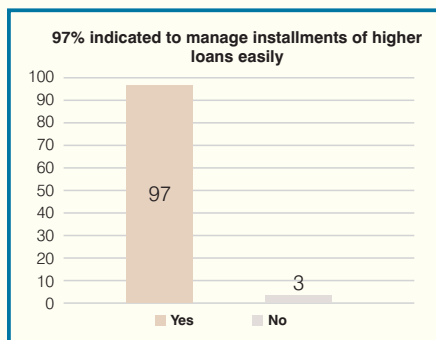
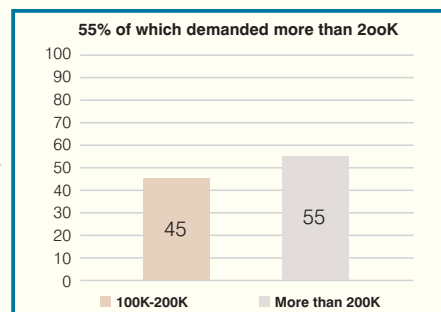
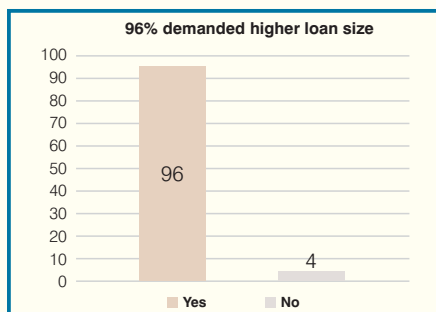
Empowering Dreams, Elevating Lives:

Survey Insights at a Glance

To gain a deeper understanding of its clients' evolving needs and the impact of its financial services, DSP has recently taken a new initiative to conduct regular short surveys among its clients. These surveys aim to gather timely feedback, track client satisfaction, monitor loan utilization, assess business outcomes, and identify emerging challenges or needs in the field. Regular surveys will enable DSP to make informed decisions, improve product design, strengthen client relationships, and ensure that its services remain

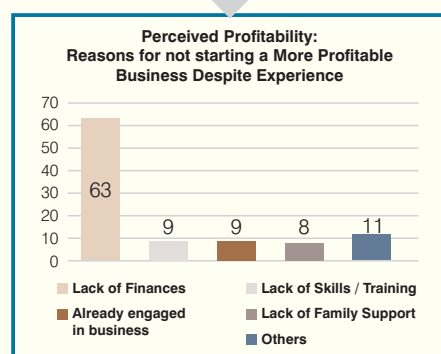
responsive, inclusive, and impactful.

In this regard, the first survey on Loan Impact and Demand was conducted with a sample of 337 respondents. The survey captured valuable insights on loan utilization, business growth, repayment capacity, and future financial aspirations. The following graphs illustrate key findings from the survey, offering a visual overview of client demand, business performance, and areas for improvement—particularly in tailoring and livestock sectors where DSP's outreach is strongest.



Gold Loan Limit Raised to PKR 500,000

The sharp rise in gold value over the past two years has increased borrowers' eligibility for higher loans against the same collateral. With improved risk coverage for lenders, DSP has raised the loan ceiling to meet clients' growing demand for larger financing.



A Stitch Forward: Shameem's Transformation through Islamic Microfinance

Shameem's resilience turned adversity into opportunity after her husband's illness left her as the sole provider for her family. Initially supporting her children through stitching, she later sought to expand her income by starting a small business making decorative hair tassels and drawstrings. With support from DSP's Shariah branch in Pakpattan, she accessed Murabaha facilities to purchase raw materials and grow her business. Today, she not only runs a sustainable enterprise from home but also empowers 12 other women by engaging them in production, becoming a symbol of strength and self-reliance in her community. Her success is a reflection of how access to financial services and determination can create sustainable livelihoods. Shameem continues to plan for further expansion and is a source of inspiration for others around her.



A Recipe for Success: Safia's Journey with DSP



Safia, a resident of Basti Salamat, joined hands with her husband to manage their small dhaaba, where her tasty cooking quickly drew in more customers. Realizing the need to expand, she took her first loan of Rs. 45,000 from DSP and, encouraged by the growing profits, went on to take a total of seven loans to scale their business. With consistent reinvestment and hard work, Safia and her husband not only improved their livelihood but also saved enough to build a house and relocate their dhaaba from their home to Babliana, a small town. Now well-settled and doing well in the new community, Safia proudly supports her family and has successfully married off two of her children. She credits her journey to DSP's timely support and believes that financial empowerment has brought lasting stability to her life. Safia now looks forward to further expanding her business and inspiring other women in her community.

Nazia: Driving Her Way to Success with DSP

Nazia, determined to provide a better future for her children, started by selling cloths and expanded her business with financial support from DSP. Using her skills and ambition, she took another loan to purchase a rickshaw for her offering safe pick-and-drop services to school children and working women. Balancing both business and family life, Nazia earned respect and trust at home and in her community, becoming a symbol of empowerment. Her dedication has not only improved her family's financial stability but also inspired other women to pursue their dreams. She continues to grow her businesses with confidence and hopes to expand her services further. Nazia's journey highlights the powerful impact of DSP's support in transforming lives. She proudly shares, "I feel proud when women on the road give me a thumbs up—it shows I'm not just earning, but inspiring."



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