



DAMEN SUPPORT PROGRAMME

ISSUE 7  
JUNE 2025

DSP UPDATES

# MONTHLY NEWSLETTER

## Product Wise Segregation of Portfolio

Sr #	Murabaha Products	# Of Loans	OLP (PKR Millions)
1	Handicraft & Embroidery	162	6
2	Agriculture & Livestock	3,460	155
3	Trade and Business	1,858	100
4	Tailoring & Clothing	6,002	263
	<b>Total</b>	<b>11,482</b>	<b>523</b>
Sr #	Conventional Products	# Of Loans	OLP (PKR Millions)
1	Handicraft & Embroidery	1,723	91
2	Agriculture & Livestock	19,803	925
3	Trade and Business	17,874	889
4	Tailoring & Clothing	50,225	2,489
5	PMYB	898	228
6	Gold Finance	207	34
	<b>Total</b>	<b>90,730</b>	<b>4,656</b>
	<b>Grand Total</b>	<b>102,212</b>	<b>5,180</b>

## Internal Audit Upskills Field Staff

On June 26<sup>th</sup>, the Internal Audit Department conducted a comprehensive training session for all field audit staff. The session covered key areas including audit deadlines, standardized communication formats, the updated audit report structure, and file preparation procedures. It also provided guidance on reviewing cases in a paperless environment, new audit compliances, office discipline, and the leave process. The training aimed to reinforce best practices and ensure alignment with current departmental protocols. The honorable CEO also graced the session with his presence, delivering an encouraging address that emphasized the importance of integrity, efficiency, and continuous learning within the audit function.

## List of Branches with Zero PAR Continues to Expand

This month, Rajana has joined the group of Zero PAR branches—Maraka, Jumber, Nankana, Muslim Town, Daska, Phoolnagar, Chunian, and Kamalia—which had also maintained Zero PAR status in the previous month, expanding the total to nine.

These achievements highlight the branches' commitment to quality lending and effective client follow-up, contributing significantly to DSP's overall portfolio health.

## Kasur Retains Top Spot in Active Clients

In June, Maraka advanced to second position in the active client portfolio rankings, pushing Okara to third place while Kasur maintained its leading position. The total number of active clients across all areas stood at 102,212, indicating sustained operational strength and consistent client engagement across the field.

## Niaz Baig Reclaims Lead in OLP Rankings

In a shift from last month, Niaz Baig has reclaimed the top position in the outstanding loan portfolio rankings, pushing Kasur to second place. Maraka maintained its third position. As of this month, DSP's total OLP has reached PKR 5.18 billion.

## Kasur and Sheikhpura Stay Ahead in Loan Disbursements

Kasur and Sheikhpura maintained their positions as the top two areas in terms of number of loan disbursements this month. Okara made a notable jump to third place, reflecting increased lending activity in the area. Overall, a total of 6,824 loans were disbursed across all areas, indicating continued momentum in outreach and service delivery.

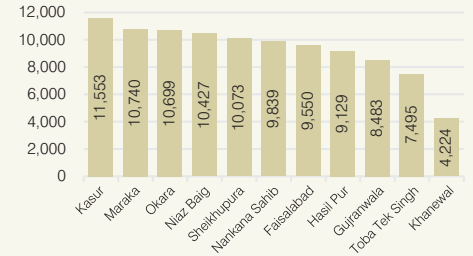
## Niaz Baig Leads in Monthly Disbursement Volume

Niaz Baig emerged as the leading area in terms of disbursement amount during the reporting month, followed closely by Kasur and Okara. The total disbursement across all areas reached PKR 744 million, indicating robust financial activity and consistent demand for microfinance services.

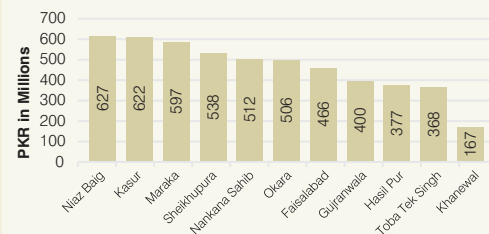
## PAR Ratio Remains Stable

During the period from July 2024 to June 2025, DSP witnessed a notable improvement in its Portfolio at Risk greater than 29 days (PAR>29 Days), especially in the second half of the year.

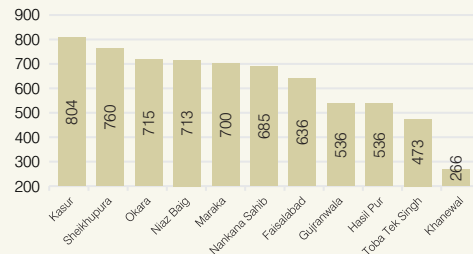
## Active Clients Portfolio



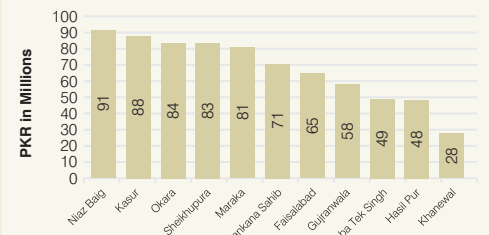
## Outstanding Loan Portfolio



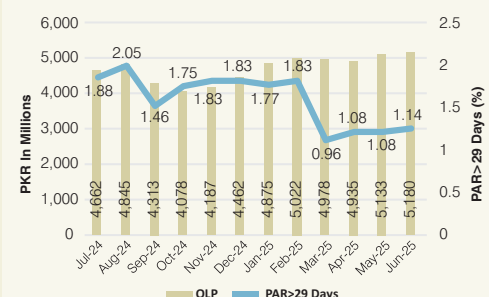
## Loans Disbursed



## Amount Disbursed



## OLP & PAR>29 Review Jul 24 - Jun 25



### Champion Branches of the Quarter Maraka, Muslim Town, and Jumber Retain their Status

It is a pleasure to share that the Maraka, Muslim Town, and Daska branches have successfully retained their status as Champion Branches of the Quarter by maintaining a zero PAR>29 Days status throughout the entire quarter.

In addition, the Jumber and Nankana branches have earned the Champion Branch title after meeting the required criteria, reflecting significant improvement and focused recovery efforts.

Furthermore, Phoolnagar, Chunian and Kamalia branches have been recognized as Runner-Up Champion Branches of the Quarter for maintaining a zero PAR>29 Days status for two months during the quarter. Their progress signals encouraging momentum in portfolio management.

We extend our appreciation to the branch teams for their hard work, dedication, and commitment to maintaining high standards of performance. Their achievements set a strong benchmark for others to follow.

### PKR 200 million Disbursed under Prime Minister's Youth Program

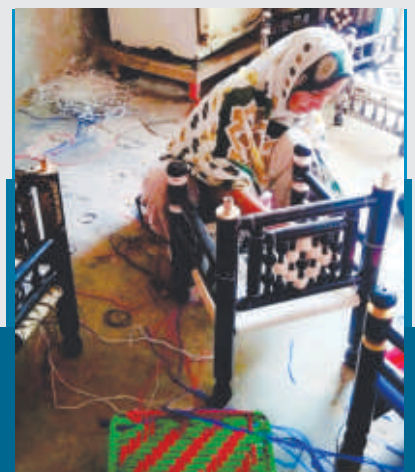
Prime Minister's Youth Business and Agriculture Loan Scheme (PMYBALS) is very important component of Prime Minister's Youth Program. It aims to empower young entrepreneurs and farmers by providing access to subsidized loans to help them establish new businesses or expand existing ones. Prime Minister Office acknowledged DSP commendable performance to promote financial inclusion, employment and enterprise development among youth during the first phase. Habib Bank Limited allocated another PKR 200 million to DSP for disbursing interest free loans up to PKR 500,000 among

young entrepreneurs willing to expand or establish business. DSP disbursed a total of 537 loans amounting to PKR 200 million under the PMYBL scheme during June 2025. Of these, 435 loans worth PKR 163.8 million were provided to male clients, while female clients received 102 loans totaling PKR 36.2 million. These loans have played a vital role in enabling clients—especially women—to engage in income-generating activities, contributing significantly to household economic resilience and financial independence.

### Client Insights: Growing Demand for Islamic Microfinance

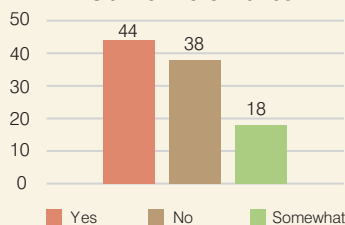
As part of its ongoing commitment to understanding and responding to client needs, DSP conducted its second client feedback survey in June 2025, with a focus on gauging preferences between Islamic and conventional microfinance products. A total of 316 clients participated in the survey, offering valuable insights into evolving expectations.

These findings highlight a growing demand for faith-aligned financial services. DSP remains committed to designing inclusive, ethical, and responsive offerings that align with clients' values and needs. Moving forward, the organization will further explore Islamic microfinance solutions while investing in client awareness and education initiatives.

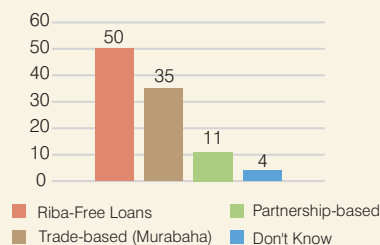


A resilient DSP client engaged in traditional chair weaving (Moorha), transforming her skills into a sustainable livelihood through the support of Damen Support Programme.

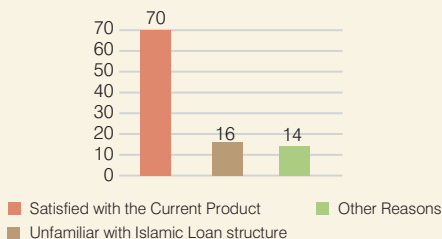
Clients' Awareness about Islamic Microfinance



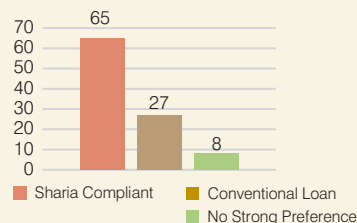
Clients' Most Preferred Islamic Product Type



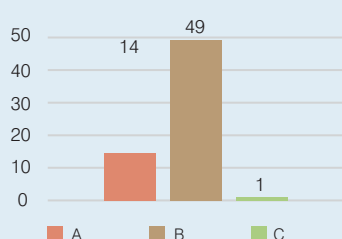
Why Preferred the Conventional Loans



Choice to Use Sharia Compliant Financing or Conventional Loans with Same Terms



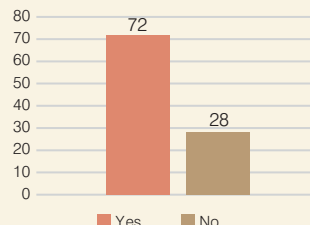
Branch Risk Rating (as of March 31<sup>st</sup>)



### Branch Risk Rating Update

As of March 31<sup>st</sup>, most branches are in the middle-risk category, reflecting moderate exposure across key risk areas, including credit, operational, fraud, audit, HR, and financial risks. These ratings help us monitor and manage potential risks effectively amongst various branches. While no major alarms were raised, we'll continue to track and address risks to improve overall stability.

Need More Information or Short sessions on Islamic Microfinance





### DSP and Circle Women Association Explore Opportunities for Strategic Collaboration

DSP continues its mission to empower communities through meaningful partnerships. In a recent development, a DSP delegation comprising Mr. Athmar Ali Arbab (Chief Operating Officer), Mr. Junaid Iqbal (General Manager Operations), and Mr. Sajid Naveed (Senior Manager Product Development Shariah) visited the Head Office of Circle Women Association (CWO) on June 24 to explore potential avenues of collaboration.

The meeting focused on identifying shared goals, particularly in the area of women's economic empowerment through digital inclusion. As a result of the discussion, several key opportunities for collaboration were identified.

Both organizations expressed a strong interest in formalizing this partnership through a Memorandum of Understanding (MoU) in the near future. To ensure timely implementation and progress toward the shared objectives, the team has been advised to finalize the MoU at the earliest.

### Conversion of Chunian Field Office into Shariah Branch

In order to expand outreach in Islamic Microfinance, Chunian has been converted from conventional branch to Shariah branch. Mr. Junaid Iqbal Qureshi and Mr. Sajid Naveed – Senior Manager Product Development Shariah elaborated team on fundamental principles of Islamic Banking and how DSP will promote financial inclusion with shariah compliant products. They also guided the Chunian team on implementation methodology.

### Tech and Compliance Advancements Strengthen Operations

This month brought notable advancements in system optimization and regulatory compliance. Key updates included:

- Village-wise recovery tracking deployed to improve localized monitoring of recoveries and keeping the management updated for overall PAR position.
- A fully revised NACTA module now enables manual updates of proscribed and de-notified lists, enhancing compliance screening.
- PMYB loan support expanded to most branches, with revised loan packages, fund limits, and product-type filtering for better application control.
- Regulatory readiness strengthened through a comprehensive review of NACTA & UNSC lists and workflows ahead of the SECP visit.
- The PAR dashboard interface was enhanced, and the ongoing conversion of legacy MIS code to C# continues to modernize the system.

These initiatives reflect ongoing efforts to improve performance, ensure compliance, and deliver a better user experience.

### Complaints Resolution

At DSP, we take every client concern seriously and are dedicated to delivering prompt and effective solutions. In June, our Complaints Cell

handled a total of 53 complaints. Of these, 47 were successfully resolved, and 6 are currently being addressed.

### Cheers to June Birthdays at DSP Head Office!

At DSP, we value the contributions and dedication of every team member. As part of our ongoing commitment to creating a supportive and inclusive work culture, we regularly celebrate the birthdays of our staff.

In June, we extended our warmest wishes to:

Mr. Kazam Raza – Senior Manager IT

Mr. Khurram Ali Khan – Assistant Manager Internal Audit

Mr. Akhtar Abbas – Finance Officer

Mr. Muhammad Amjad – Driver

This monthly tradition allows us to come together as a team and express our appreciation for the hard work and positive energy that each individual brings to the workplace. We look forward to continuing this simple yet meaningful gesture every month to strengthen our bond as a team.





### **From Dependence to Empowerment**

Najma's journey reflects remarkable resilience and the transformative impact of microfinance. Following the loss of her first husband, she remarried and together with her new husband, they raised a blended family of 20 children — including those from her previous marriage, his previous marriage, and their union. Faced with mounting financial challenges, Najma chose to pursue economic independence by starting a livestock business. In 2018, she accessed her first microloan of Rs. 45,000 from the Damen Support Programme, enabling her to purchase a dairy animal. With low input costs and growing profits, she expanded her business through six consecutive loan cycles. Today, Najma owns three dairy animals and seven calves, earning a sustainable income that supports her children and contributes significantly to household expenses. "DSP gave me the confidence to believe in myself," she shares. Najma's success is a powerful example of how financial inclusion empowers women to overcome adversity and build dignified, independent lives.



### **From Tailoring to Triumph: Surrayyia's Journey with Islamic Microfinance**



Faced with financial challenges due to her husband's limited income, Surrayyia began stitching clothes from home to support her family. Seeking to expand her income, she availed DSP's Shariah-compliant financing facility to start a small beauty salon. Encouraged by the results, she utilized four more facilities to grow her salon, introduce tailoring materials, and recently added unstitched dresses to her offerings.

With each step, Surrayyia diversified her income sources and strengthened her role as the primary contributor to household expenses. Her dedication and wise use of Islamic microfinance helped her turn a modest home business into a stable and flourishing enterprise.

Today, Surrayyia runs a sustainable home-based business and is financially stable, no longer relying on external support. "DSP's Islamic finance gave me the opportunity to grow with peace of mind. Today, I stand strong and independent because of the trust and support I received," she shares.

### **Anam's Journey from Home to Market**

Anam, a resident of Ichra, began her entrepreneurial journey by selling kids' readymade garments from home. With her first loan from DSP, she expanded this home-based business. Motivated by her growing ambition and the advice of a well-wisher, she transitioned to a more formal setup by opening a variety store in Mozang Bazaar.

She secured the shop with her second DSP loan and used two additional loan cycles to expand inventory and establish her presence in the market. Today, Anam successfully runs her store while her husband continues to support the business by selling stock through stalls in local bazaars. Their improved income has enabled them to send their three elder children to private school. "The loans didn't just help me financially—they gave me confidence, independence, and a new identity," says Anam. Her journey reflects how DSP's financial support empowers women to grow from home-based efforts to full-fledged business ownership.



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