



CSC Empowerment &
Inclusion Programme

CSC

Empowerment & Inclusion programme

Annual Report

2018





**CSC Empowerment &
Inclusion Programme**





KEY STATISTICS

48.76%

% of women
population

24.3% ⁽³⁾

% of population living
under poverty line
Pakistan in 2015-16

1,362

No. of CNIC issued to
transpersons in Punjab

45%¹

% of population poor in
Pakistan⁽¹⁾

10,418

Number of
transgender 2018

5.4%

GDP Growth Rate 2018

197

million (2017)

Population of Pakistan

24%

% of women in the labor force

90%

% of enterprises that are SMEs

5.2

billion

Total Borrowers of Microcredit

106
Districts⁽⁴⁾

Microfinance Network ⁽⁴⁾

PKR.
182
billion

Loan Portfolio of Microcredit

90%⁽²⁾

% of women harassed on Public transport⁽²⁾

40%

% share of SMEs in GDP

(1) UNDP Oxford Multidimensional Measure

(2) 'Women's Safety Audit in Public Transport in Lahore' conducted by Aurat Foundation, and co-led by the Women's Development Department (WDD) Punjab and UN Women, in collaboration with the Punjab Commission on the Status of Women (PCSW), the Chief Minister's Strategic Reform Unit and the Punjab Safe City Project (PSCP).

(3) The Economic Survey (<https://www.accaglobal.com/in/en/member/member/accounting-business/2018/03/insights/microfinance-pakistan.html>)

SUSTAINABLE DEVELOPMENT GOALS



No Poverty



Affordable and
Clean Energy



No Hunger



Decent Growth and
Economic Growth



Good Health and
Wellbeing



Reduced Inequality



Quality Education



Partnership for
the Goals



Gender Equality

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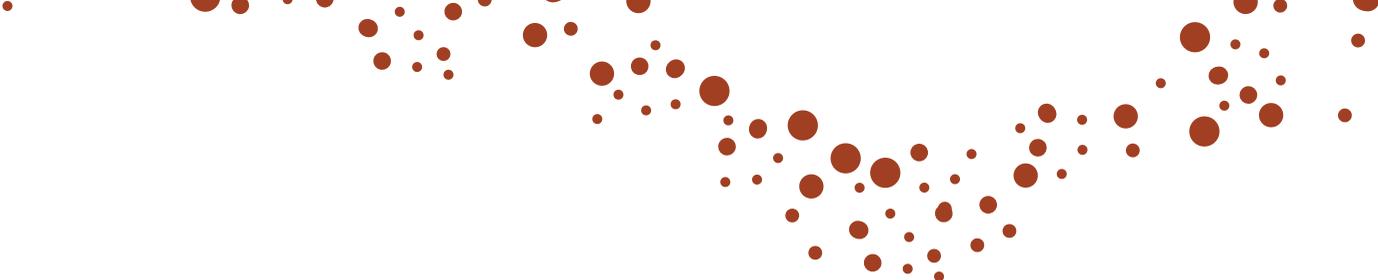
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CHAIRPERSON MESSAGE

Greetings from CSC-CEIP!

The accomplishments of year 2018 is an indication to CSC-CEIP's continuous success and growth in the fields of social innovation and economic development. Both the organizations have set new milestones in the passing year that I am excited to share with you in our latest Annual Report, 2018.

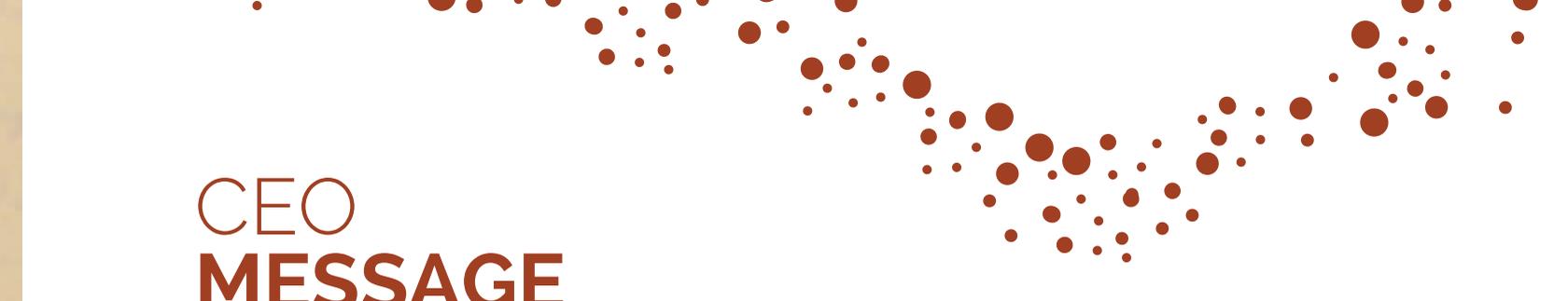
Anticipating the increasing demand of microfinance products, CEIP has successfully executed an expansion of its operational network by opening 8 new branches in Okara, Sahiwal, Pakpattan, Jamber, Habibabad, Arifwala and Dipalpur serving an additional 4,401 clients. The organization is now present in 6 districts, with 29 branches, serving over 185,000 customers through a strong microfinance support of over PKR 7.6 billion. Keeping in view the organization's mission "To emerge as an outstanding microfinance institution offering wide range of financial products and services", CEIP has introduced 4 new microfinance products; Taleem Loan, Graduation Loan, Captain Loan, and Clientele insurance. In addition to these new products, CEIP has formed new partnerships with some of

the leading private and public enterprises, such as Careem, KFC, IFC, MicroEnsure, etc, with a vision to bring exciting innovative products to the market. One such initiative is TRANSition project, through which CEIP has welcomed the marginalized trans-community by offering bikes and scooties on loan. Another initiative that the organization initiated in 2018 was its Solar Awareness Campaign, in partnership with IFC Lighting Pakistan, among other exciting projects and programs.

On the other side, CSC has successfully conducted its social interventions through 30 street theatres in different villages of Sheikhpura, 60 paralegal trainings with youth, 12 workshops on different topics with CBOs with many other activities benefitting a total of 25,335 in 30 villages of Sheikhpura. In the coming year, both CSC-CEIP hope to expand their socioeconomic influence and impact by targeting new areas, communities, and vulnerable individuals with its services and products.

I would also like to take this opportunity to appreciate and thank the dedicated and hardworking team of CSC-CEIP, without whom none of these achievements could have been possible.





CEO MESSAGE

Greetings from CSC & CEIP!

Our vision at CSC and CEIP is centered on the empowerment of the communities that we work with, to make their lives better and to provide them with the necessary skills and tools to sustain the progress we have made through our interventions.

The year 2018 has been a tremendous year for both the organizations. CEIP relished in an ambitious expansion of its operations through opening of new branches and product launches, while CSC successfully embarked on its new project at Sheikhpura, Promotion of Women Rights in Punjab and Capacity Development. CSC benefitted 25,335 participants through various activities influencing approximately 0.17 million people in just one year through its PWRCDD project.

On the other side, CEIP began the year with a very successful Solar Awareness Campaign in partnership with IFC Lighting Pakistan engaging 1,500 households from different areas of Lahore, through street theatre and Solar Mela. The campaign sought to increase the knowledge and awareness of the participants on the benefits of using certified Solar-Powered Products. CEIP, through its microfinance platform, also provided solar home solutions to its clients with an array of products to choose from. The organization has invested a lot of its time and resources in developing new microfinance products, after analyzing the market needs and demands of its clients. The microfinance products launched this year include; Graduation Loan, Captain

Loan, and Taleem Loan, resulting in captivating new markets through these products. The Graduation Loan, for example, has been highly successful in graduating entrepreneurs of PMIFL to conventional loan, serving 1,238 clients by the end of the year.

CEIP also expanded its branch network by opening new branches in Okara, Sahiwal, Pakpattan, Jamber, Habibabad, Arifwala and Dipalpur adding 4,401 clients to its client portfolio. CEIP is now present in 5 districts of Punjab with a strong network of 29 branches. Reaching out to the most vulnerable and deserving communities is one of the core values of the organization, and this year CEIP is proud to welcome the transgender community in its customer mix by providing bikes on loan to them for easy mobility and transportation. The TRANSition project has so far disbursed 10 bikes to transgenders who are actively working, consequently assisting them in their pursuit to earn an honest living.

I would like to take this opportunity to appreciate our partners, who have continued to support us and our initiatives, and I welcome new the partnerships which we have successfully commenced, like KFC, Careem, MicroEnsure, The Gender Guardian, and others. I would also like to acknowledge the hard-working staff of CEIP, whose diligent and assiduous work has helped the organization grow and expand.

ABOUT CSC-CEIP

CSC Empowerment and Inclusion Programme, previously CSC, was one of the pioneer organizations to provide microfinance to poor households of Pakistan. In 2000, CSC received the seed money from Grameen Trust to start its first microfinance branch in Nishter Town. This paved way for CEIP's current Microfinance Network with 29 branches in Central and South Punjab, offering 12 different microfinance products/projects to its clients catering to different niches within the sector.

Enacting its vision to enable the underserved communities to lead economically and socially prosperous lives, CSC has made multi-sectoral social development interventions, with emphasis on women empowerment, over the last 29 years. Utilizing various participatory development tools including formation of

Community Organizations (COs), transfer of productive assets, vocational and enterprise development trainings, and social awareness and sensitization sessions, CSC has implemented 18 projects in South and Central Punjab, catering to the health and hygiene, disaster management and rehabilitation, and educational needs of the region's inhabitants since 2004. Currently CSC is implementing Promotion of Women Rights in Punjab and Capacity Development in 30 villages of Sheikhpura.

In 2015, the microfinance wing of CSC evolved into a separate legal entity, and became CSC Empowerment & Inclusion Program (CEIP). With this, it assumed the responsibility of enhancing financial inclusion in the country. As CSC continues





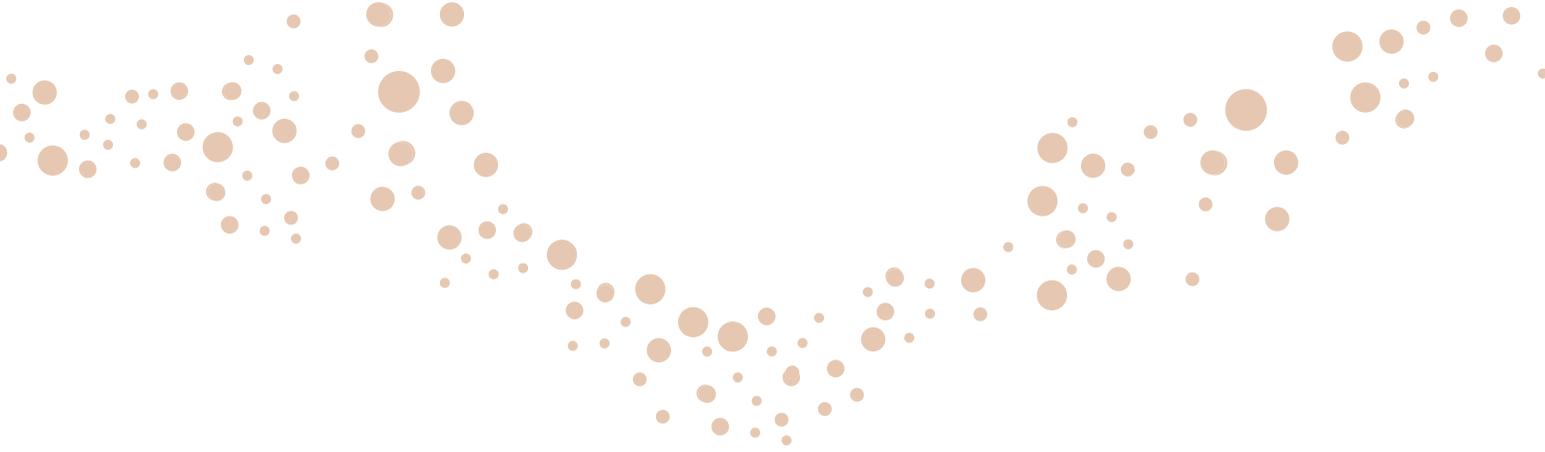
to focus on social inclusion and socio-economic development of marginalized communities, CEIP furthers the agenda of an enabling financial environment for the poor. Both entities maintain an underlying emphasis on women empowerment and development

The microfinance function of CEIP works as a broad-based mechanism for enabling financial inclusion of women, aimed at the emancipation of this oppressed section of the society and their inclusion in its economic fabric. With over 99% of its loans disbursed to women for establishing microenterprises, CEIP is driving economic reform by strengthening female participation

and entrepreneurship. By harnessing the economic potential of women, CEIP is also facilitating societal transformation in the form of enhanced female mobility, access to public spaces, greater familial decision-making, and reduced occurrence of domestic violence.

Another vulnerable segment of the society that CEIP has recently included in its clientele are the Transgender community, for whom the TRANSition initiative was launched in 2018. Through this initiative CEIP hopes to provide the Trans-community with affordable bikes and scooties for easy commute to work, and help them be more economically active part of the country.





COMMUNITY SUPPORT CONCERN

CSC



Our Vision

CEIP visualizes that communities should be leading socially and economically prosperous lives.



CEIP Mission

Expanding quality social development support to underserved and marginalized communities through innovative and participatory approaches.



Goal

Strengthening and empowering the communities to solve their problems through collective action and community participation.



Objectives

To aware, educate, motivate, and organize target communities for an improved quality of life.

To enable and encourage communities to become self-sustainable.

To train women as agents of change for socioeconomic development.

CSC EMPOWERMENT & INCLUSION PROGRAMME

CEIP



Our Vision

“No economically active poor will remain financially excluded in our program”



Our Mission

“To emerge as an outstanding microfinance institution offering wide range of financial products and services to financially excluded segments of the society focusing women for micro and small enterprises, achieving sustainability and social performance”



Goal

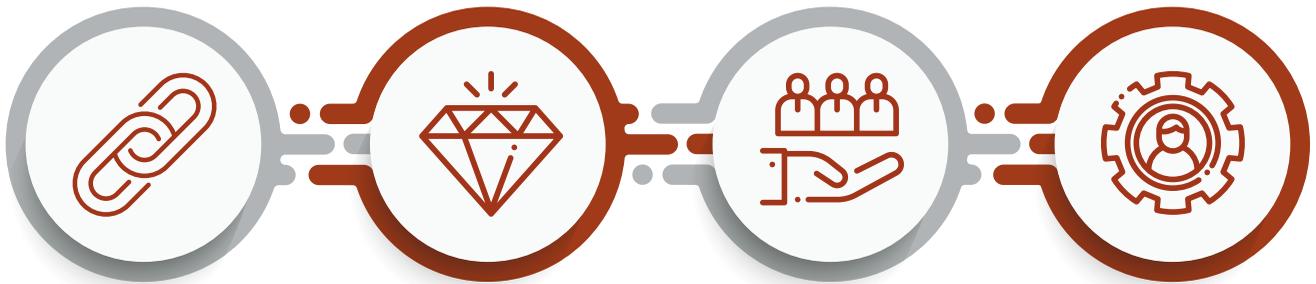
Enhancing financial inclusion in remote areas focusing on women-led small enterprises.
Women and youth empowerment.



Objectives

Enable target borrowers to start/expand their business.
Offer innovative and need based financial products and services.
Achieving 100% financial sustainability from microfinance operations
Provide financial education and business

CORE VALUES

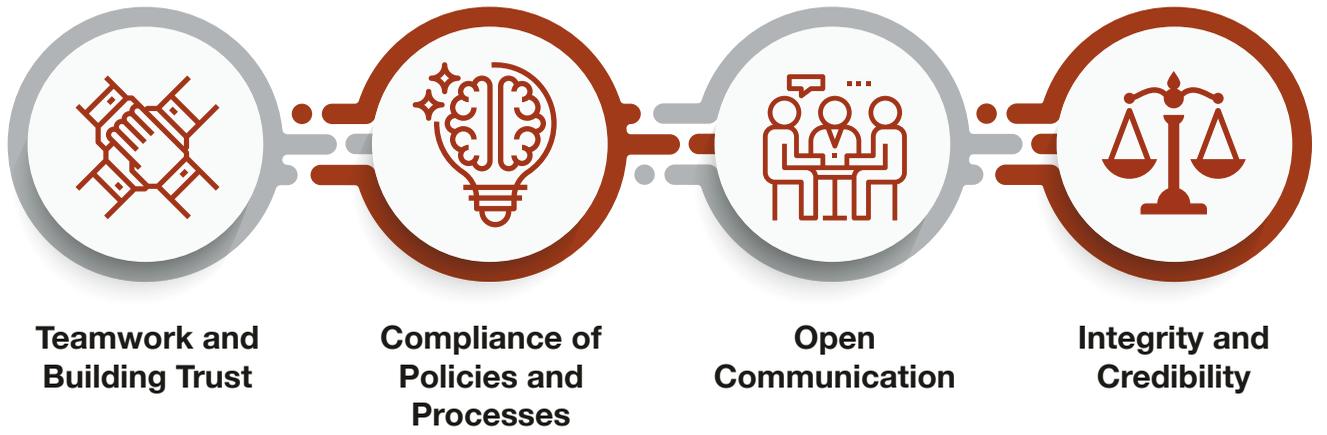


**Commitment to
Vision and Mission**

**Professionalism and
Service Excellence**

**Responsibility and
Accountability**

**Personal
Development and
Mentoring**

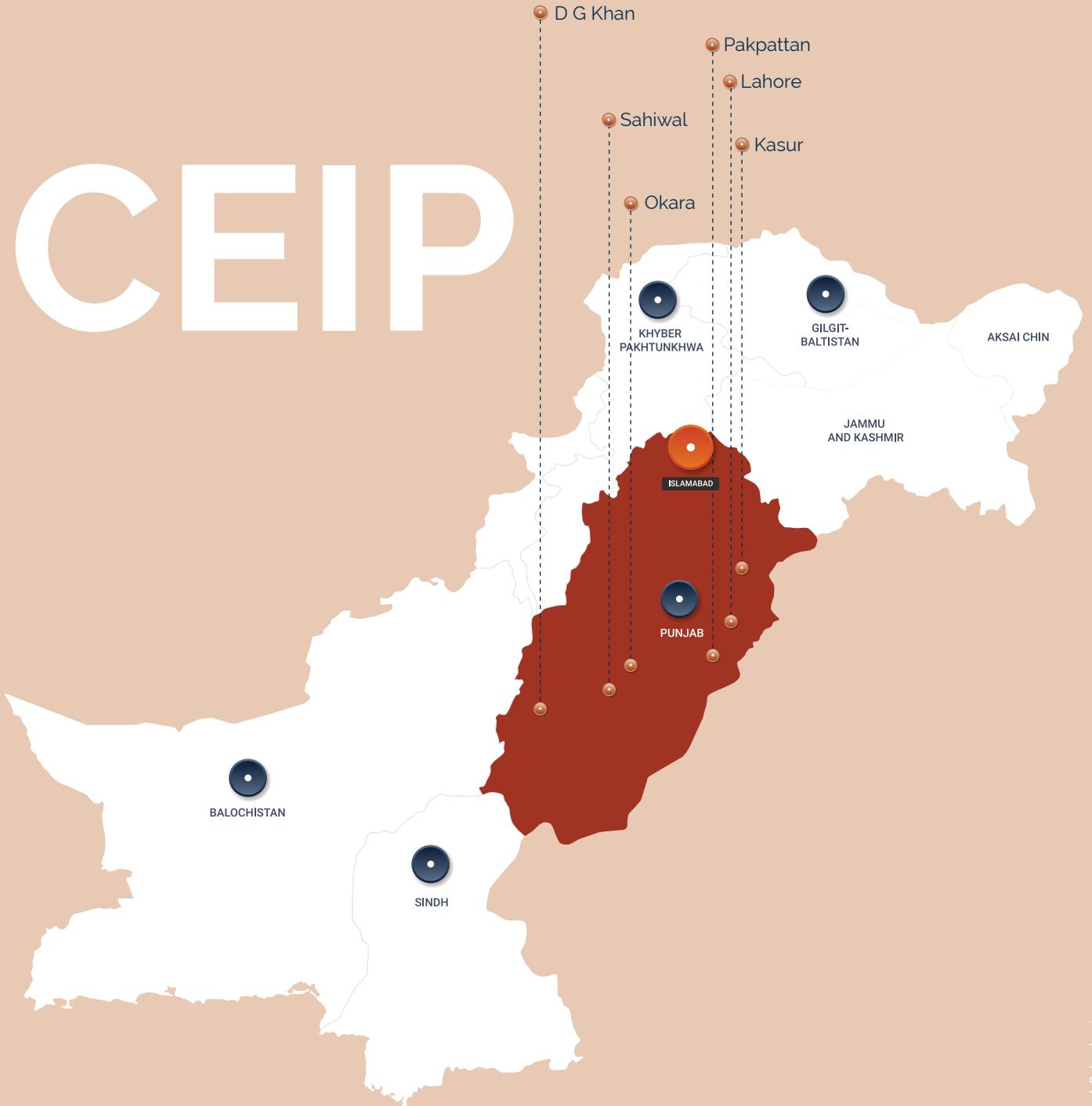


OPERATIONAL AREAS

CSC



CEIP

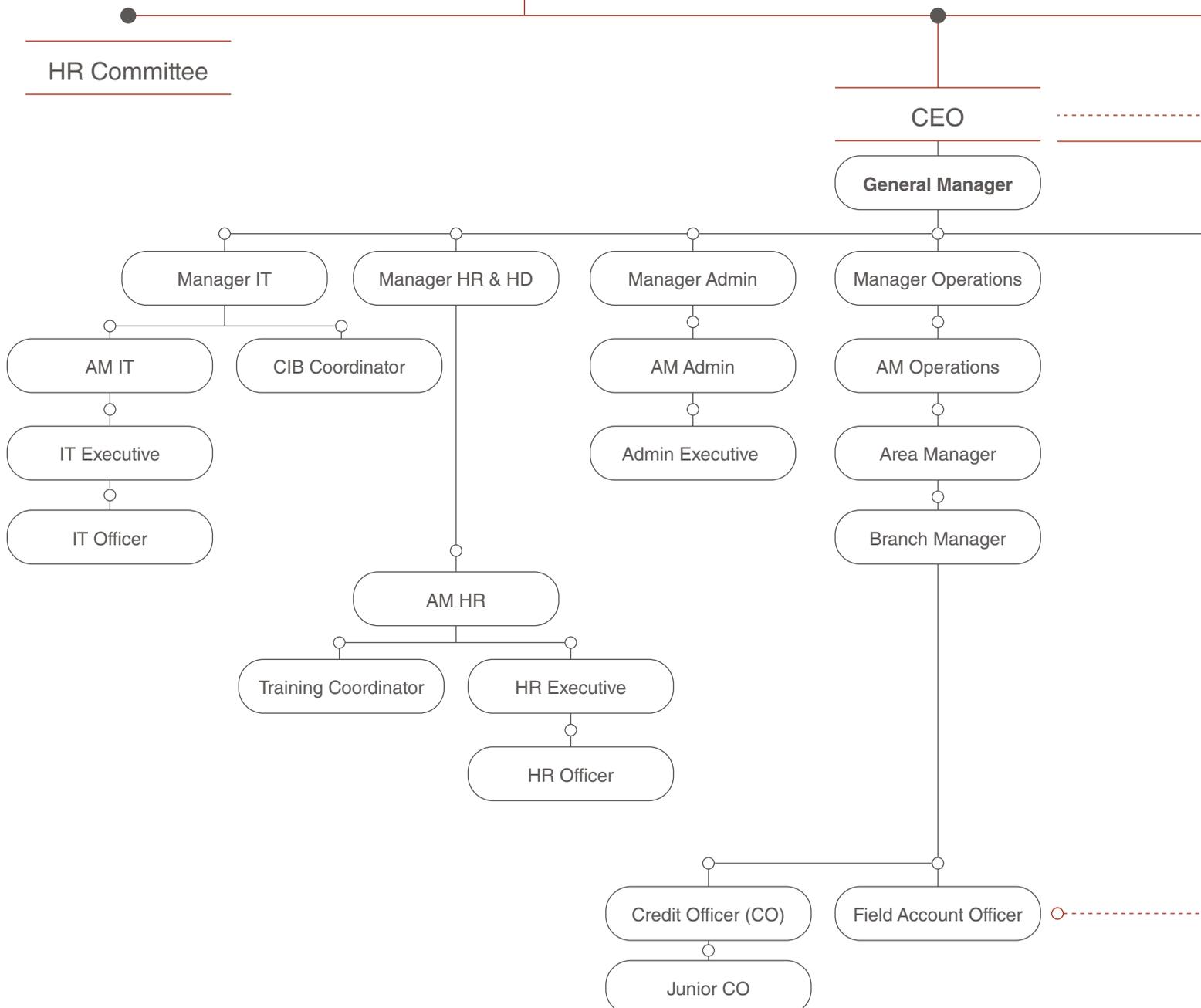


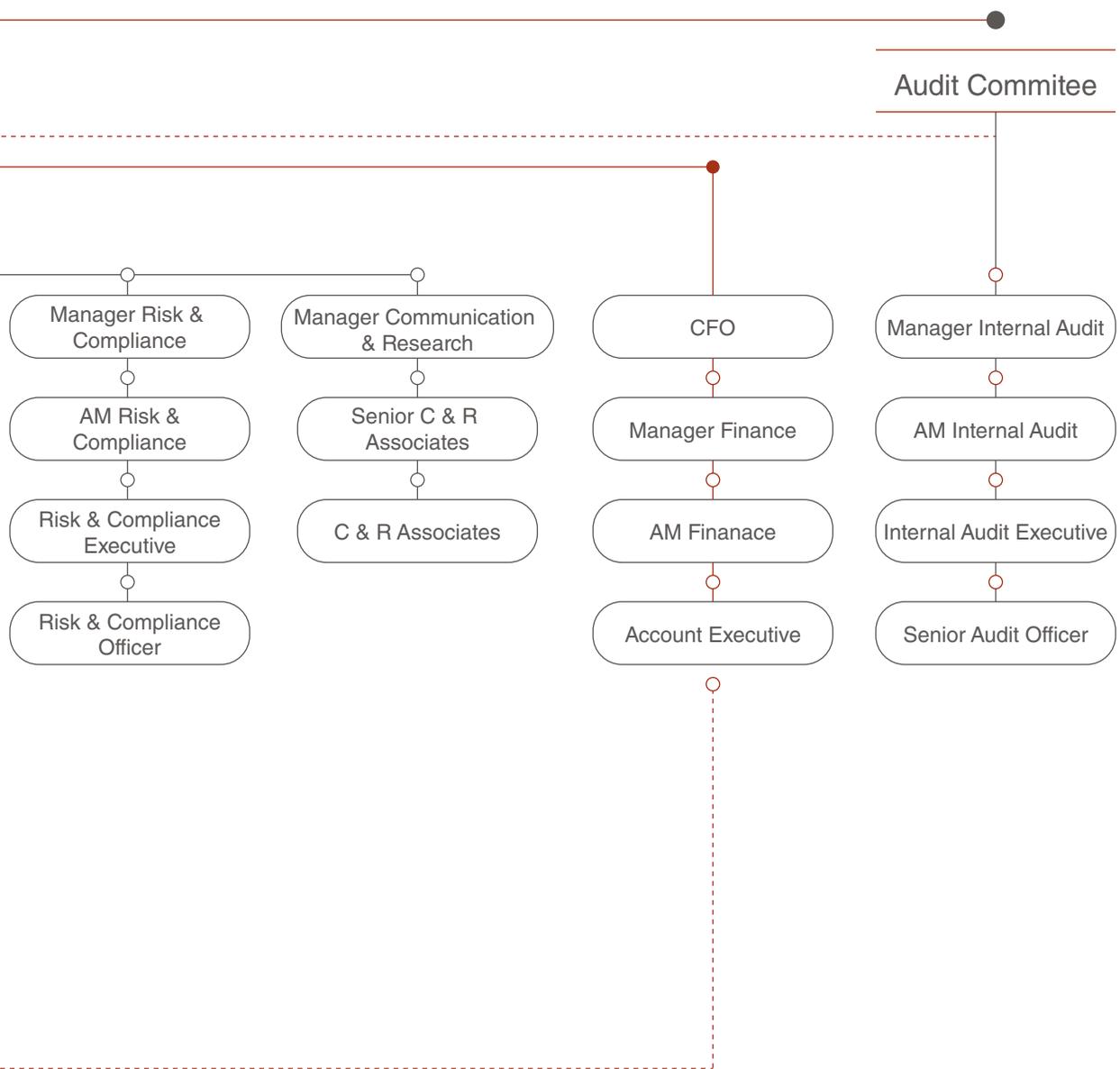
ORGANIZATIONAL STRUCTURE

ORGANOGRAM



Board of Directors





REFLECTION ON PROGRESS

CEIP's Microfinance Network comprises of 29 branches in Central and South Punjab, offering 9 different microfinance products to its clients catering to different niches within the sector.

CEIP works to bring about economic empowerment to deprived communities that have traditionally been denied access to adequate means of reducing poverty. Having served around 222,665 clients with its microfinance support of almost PKR 7.6 billion, CEIP has impacted over 1.1 million lives in 6 districts of Southern and Central Punjab. The service offered to each client includes not only monetary support but also financial literacy, skills trainings, business development advisory, and market-access platforms, which collectively ensure the setting up of sustainable businesses to support borrowers' families. Following its strategic expansion plan, CEIP opened 8 new branches at Deepalpur, Okara, Sahiwal, Pakpattan, Jumbar, Habibabad, and Arifwala. To manage the risks and operational challenges associated with an expansion plan, the organization devised new governance and risk policies that would minimize any threats. Firstly, a steering committee was established to govern the changes required to all MIS and IT related tasks. Since the entire microfinance industry is digitizing its processes and updating its operations to increase efficiency, CEIP has formed the committee to observe these transformations. Secondly, an in-house assessment was conducted to evaluate the operations, and recommend changes. Lastly, to manage the operations, new staff were employed, trained, and placed on designated posts. Starting from the Head Office, a separate Assistant Manager Operations – South was hired to monitor and evaluate the performance of the Southern branches, a Senior Executive Operations was also employed to manage the development of new loan products, and 46 new staff were hired for field operations.



2018 was a year of innovations and diversification as CEIP launched 4 new microfinance products; Taleem Loan, Graduation Loan, Captain Loan, and Micro insurance after researching and identifying potential new markets within the sector and diversifying its clientele by providing vehicular loans to transgenders. The Taleem loan would help small Low-Cost-Private Schools with the right loan package and operational guidance to improve the educational quality of the schools. The Graduation Loan is based on the Poverty Graduation Model, through which CEIP has shifted graduated entrepreneurs to its conventional portfolio. To diversify the range of microfinance products offered by the organization, Micro health insurance is now being offered to the clients. In the past year, CEIP has also increased the variety of solar products offered to its clients. It now offers 19 solar products in form of individual and product bundles to its clients through 12 branches. The organization signed MoU with three solar partners, Allied Energy, Harness, and Green Light Planet, who provided verified quality products to its clients, offering a range of 8 lights, 4 fans, and 7 bundles to choose from.

On the other side, CSC continues to impact lives through its social and economic interventions bring about collective change within the communities. In 2018, CSC benefitted around 25,335 beneficiaries through various activities such as Street Theatres, Paralegal Training, Peace Clubs, Skill and Entrepreneurship Development Trainings.

REFLECTION UPON LAST YEAR FROM EMPLOYEES

“To improve the operations of CEIP, we brought changes to our governance systems and policies. Firstly, governance improved at the Board level by inducting new members with relevant expertise and training. Secondly, the internal control systems were reviewed and improved starting with internal audit function which was improved by implementing Risk Based Audits, and

Risk Based Branch selection system. Furthermore, the Risk Management, Credit, and HR policies were reviewed and improved. The Risk Management Function was strengthened by training staff and implementing the risk register for record keeping. Better fund management and financial monitoring systems were also introduced during the year.”

Jamil Ahmad
General Manager

“We opened 8 new branches this year as per our Strategic Expansion Plan which added 4,401 clients to our portfolio. I see a lot of potential in these areas, especially for agriculture and livestock. However, executing a rigorous expansion like this, we faced certain barriers in terms of entering a very competitive market. Fortunately, our team has been able to penetrate the market and capture a sizeable portfolio of PKR. 233,990 which is continuously expanding.”

Nabila Tehseen
Operations Manager

“ In the year 2018, we welcomed our first international partner Symbiotic who invested PKR. 182 million in CEIP. This investment has largely been used in alleviating poverty in D.G. Khan through the initiation of Graduation Loan, which introduced the conventional Microfinance to CEIP’s graduated PMIFL clients. This partnership has already benefited 3,478 clients with a portfolio of PKR. 176 million, and has created enterprises and jobs for the local communities. CEIP will continue to utilize the remaining investment in innovating products that are lucrative to its clients and stakeholders.”

Jawad Yousaf
CFO

“In my experience working on advocacy and awareness programs such as PWRCD project are very effective in inspiring massive change in behaviors and attitudes of different factions of the society. We have run similar projects in the past, and approximately 90% change in attitudes have been observed between the baseline figures and the end of the project figures in the earmarked communities.”

Nasir Habib
Training & Monitoring Officer CSC

OUR TEAM



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Jawad Yousaf
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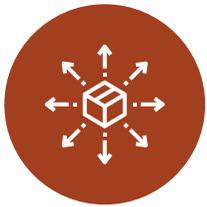
CSC Empowerment & Inclusion Programme

7.6	Billion PKR
6	Districts
222,665	Clients served
29	Branches
9	MF Products

CEIP

- Product Catalogue
- Financial Portfolio
- Area-wise Analysis
- Client Journey
- Innovations and Partnerships
- Capacity Building and Trainings
- News and Events
- Voices from the Field

PRODUCT CATALOGUE



MICROCREDIT (MC)

Designed to provide microenterprise support, Microcredit Loans are essential for entrepreneurs aiming to establish enterprises, and enhance their operations to achieve sustainability.



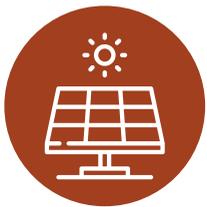
MICROENTERPRISE LOAN (MEL)

Introduced to extend revamped support to micro-entrepreneurs, Microenterprise Development Loans provide liquidity for sustainable enterprises that are aiming to expand the scale and scope of their operations for enhancing profitability.



HOME IMPROVEMENT LOAN (HIL)

Equipping clients for transforming housing market, Home Improvement Loans facilitate the upgradation of homes and workplaces for financial gains through renting out of additional rooms or dedicating them for microenterprise operations.



SOLAR ENERGY LOAN (SEL)

Providing alternative to conventional electricity, Solar Energy Loans equip borrowers with solar products at homes and workplaces for making work possible during power outages, and impacting their social wellbeing by reducing dependence on more expensive and hazardous means of generating power.



SCOOTY LOAN (SL)

Providing financial support to young women who would like to avail scooties or bikes on instalments, Scooty Loan aims to enhance female mobility to educational institutions and workplaces, rendering new impetus to economic participation and self-sufficiency of women.



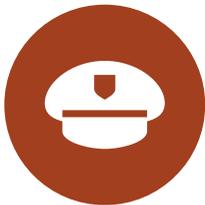
MICROENSURE – Micro Health Insurance (ME)

CEIP in partnership with MicroEnsure is offering health insurance to its clients in Lahore. The initiative has been taken keeping in view the health needs of the poor families covering a wide range of health services.



GRADUATION LOAN (GL)

Based on the Poverty Graduation Model, CEIP has shifted its D.G. Khan clients to a conventional portfolio, as they move up on the poverty scorecard. This approach perpetuates CEIP's belief towards empowering communities to eventually become self-reliant by giving them the required financial and social support.



CAPTAIN LOAN (CL)

This loan will provide a new financing facility to individuals to purchase their own Motorbikes and Rickshaws. These individuals will then be linked with Careem to become Captains, and would have access to their vast network of clients.



PRIME MINISTER INTEREST FREE LOAN (PMIFL)

CEIP is implementing an Interest Free Loan scheme in D.G. Khan, supported by the Pakistan Poverty Alleviation Fund (PPAF) to serve clients that fall under the poverty bracket for conventional microfinance. Referred to as the Prime Minister's Interest Free Loan scheme, the project is an important part of CEIP's poverty graduation model, and prepares clients in initiating microenterprises and enhancing their capacity to opt for larger microfinance loans.



TALEEM LOAN (TL)

CEIP will address financing needs of primary, middle, and high schools including vocational training institutes within its program areas focusing on girl's education, and on educating the youth for employment opportunities in the country.

FINANCIAL PORTFOLIO

Items	MC	MEL	HIL	PMIFL	Taleem Loan	SEL	Scooty Loan	GL	Total
No. of Active Clients	28,989	863	94	4,177	1	1,610	14	1,225	35,363
Outstanding Loan Portfolio (PKR)	1,019,721,143.	95,388,303.	12,980,531.	90,186,100	142,201.	2,457,630.	406,315.	51,228,113.	1,272,510,354
Total Disbursement (PKR)	6,803,522,000.	180,740,000.	18,000,000.	628,883,000	150,000.	6,923,630	530,177.	60,840,000.	7,699,588,807
Served Loans (PKR)	194,833	1,503	94	24,982	1	2,208	14	1,238	224,873
Current Recovery Rate (CRR %)	99.24	99.66	100	100	100	100	94.59	100	99.19
Portfolio at Risk (%)	0.67	0.34	0	0	0	0	0	0	.81
Average Loan Size (PKR)	34,919.	120,252.	191,489..	25,173	150,000.	3,135	37,869.	49,143.	-

COMPARISON BETWEEN 2017 & 2018



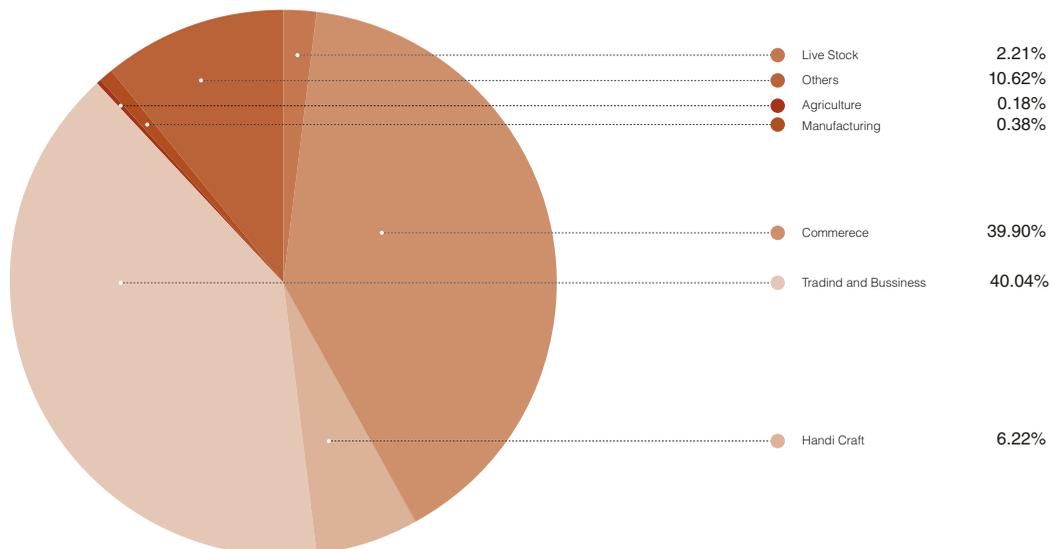
AREA-WISE ANALYSIS

Area 2

Qainchi, Bhatta Chowk, Green Town & Walton



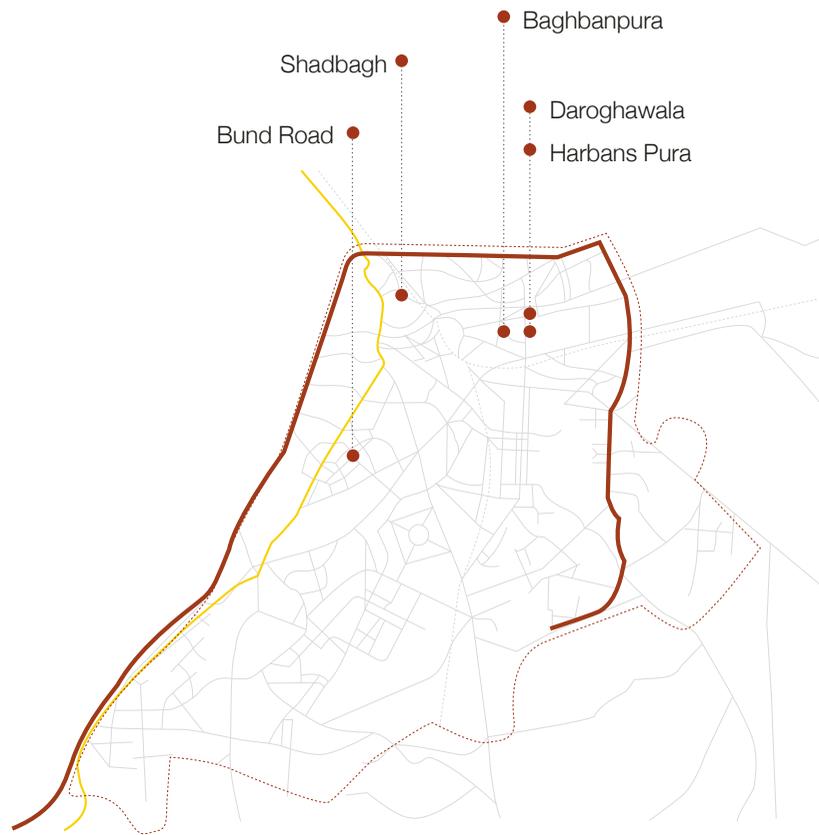
Cumulative clients	61,668
Active clients	7,965
Repeat clients	39,022
New clients	22,646
Total amount disbursed	2,195,461,783
Average loan size	35,601.31



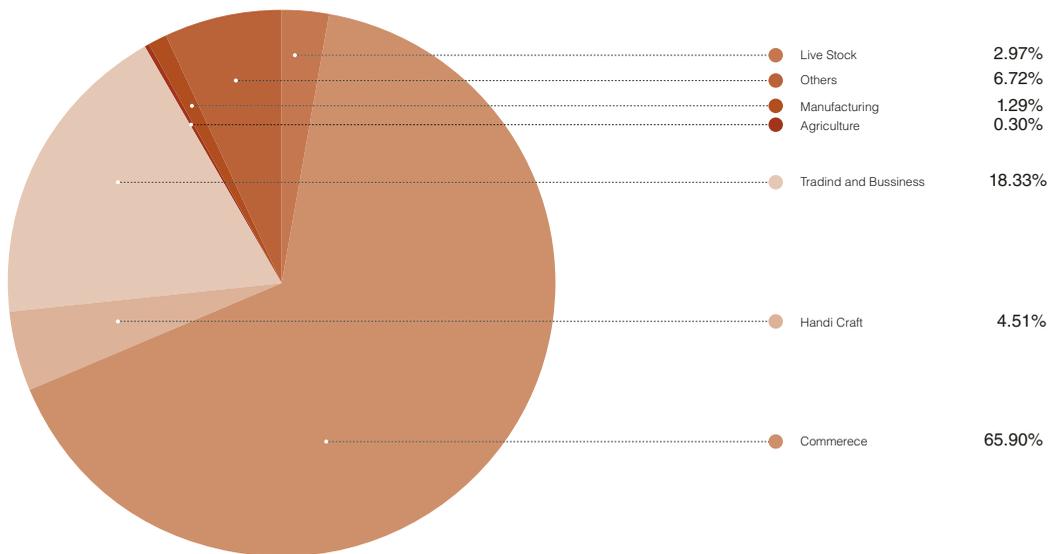
AREA-WISE ANALYSIS

Area 3

Baghbanpura, Bund Road, Daroghawala, Harbans Pura & Shadbagh



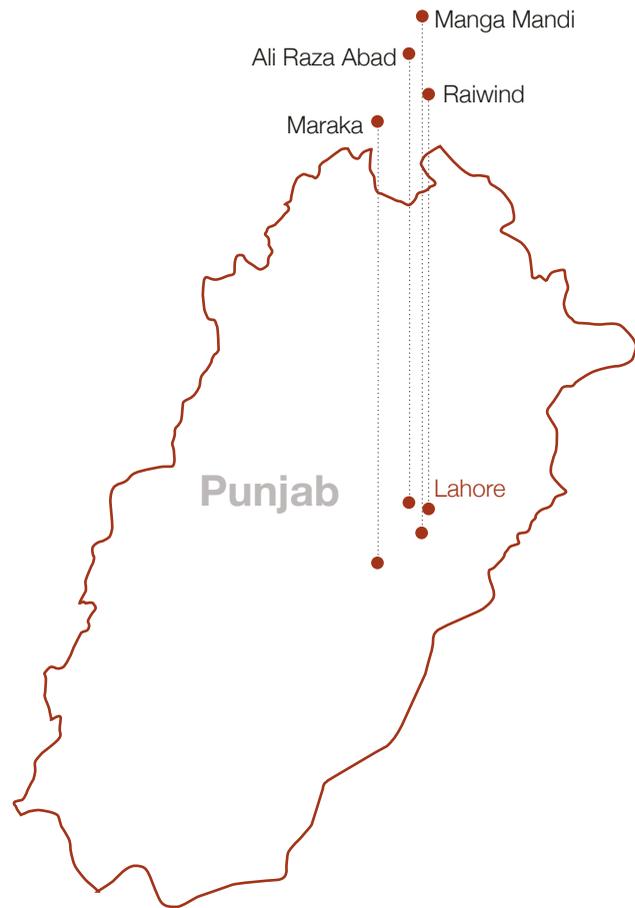
Cumulative clients	60,914
Active clients	7,489
Repeat clients	34,852
New clients	26,062
Total amount disbursed	1,995,174,217
Average loan size	32,753.95



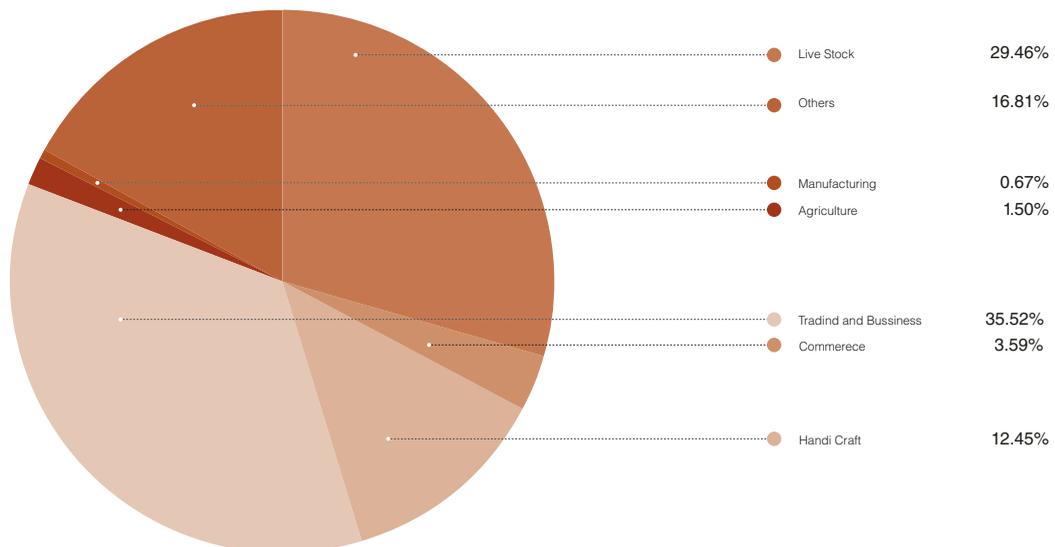
AREA-WISE ANALYSIS

Area 4

Ali Raza Abad, Maraka, Manga Mandi & Raiwind



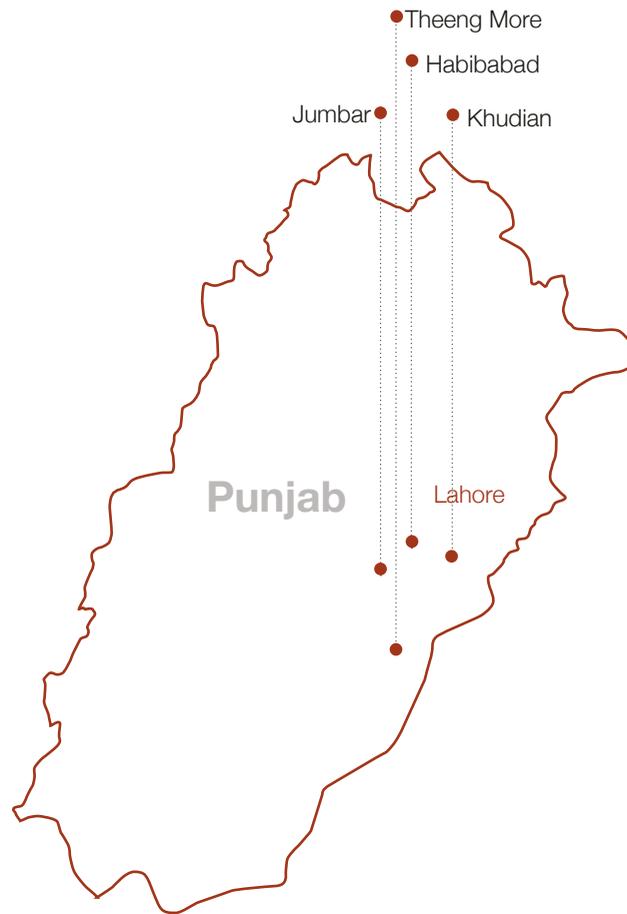
Cumulative clients	34,322
Active clients	6,286
Repeat clients	17,055
New clients	17,267
Total amount disbursed	1,475,876,000
Average loan size	43,000.87



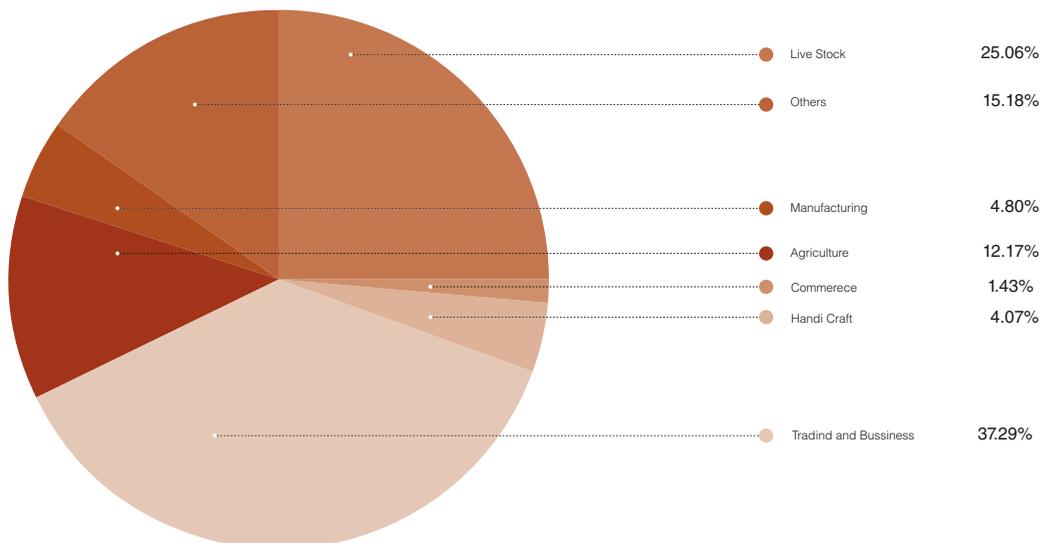
AREA-WISE ANALYSIS

Area 5

Habibabad, Jumbar, Khudian & Theeng More



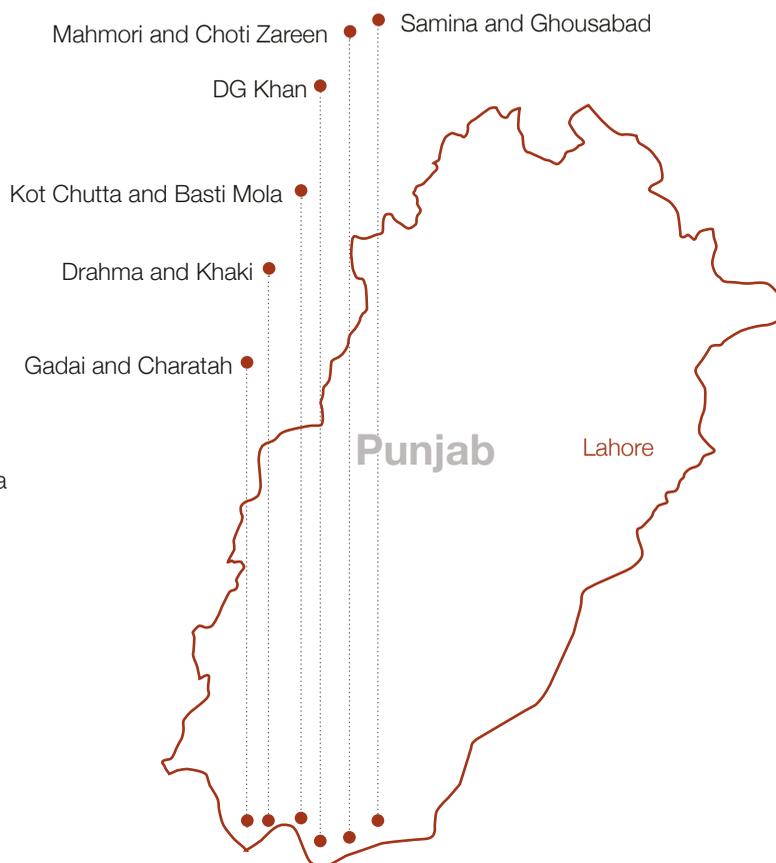
Cumulative clients	22,634
Active clients	4,848
Repeat clients	11,786
New clients	10,848
Total amount disbursed	822,832,309
Average loan size	36,353.82



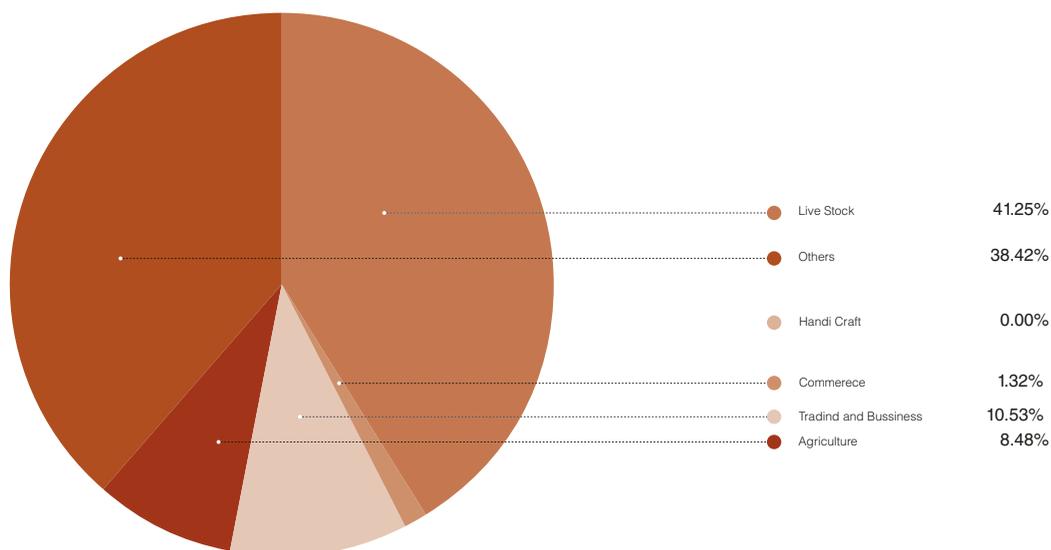
AREA-WISE ANALYSIS

Area 6

DG Khan, Drahma and Khaki, Gadai and Charatah, Kot Chutta and Basti Mola, Mahmori and Choti Zareen, Samina and Ghousabad



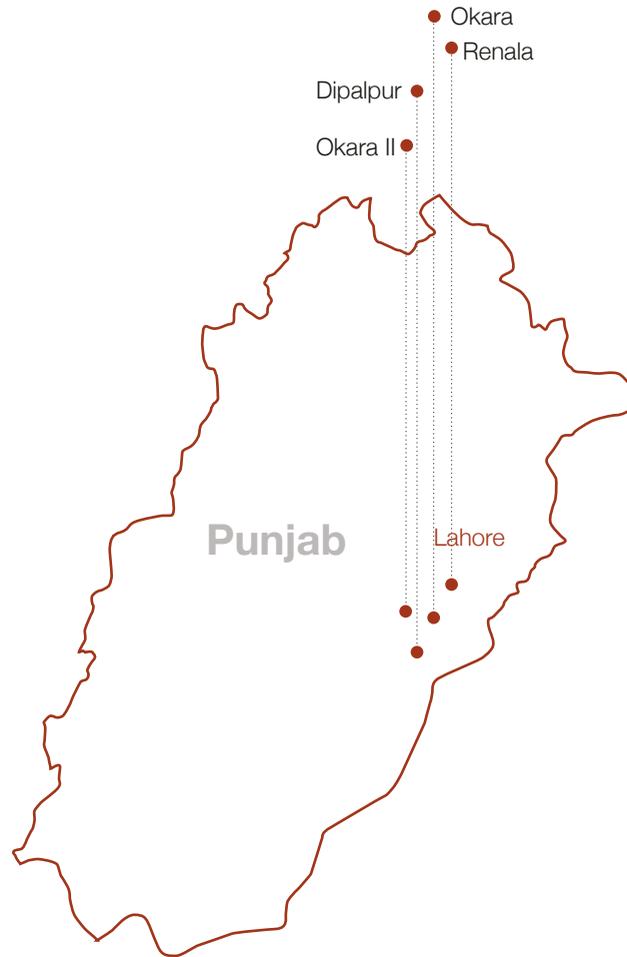
Cumulative clients	26,218
Active clients	5,588
Repeat clients	13,407
New clients	12,811
Total amount disbursed	689,688,000
Average loan size	26,305.90



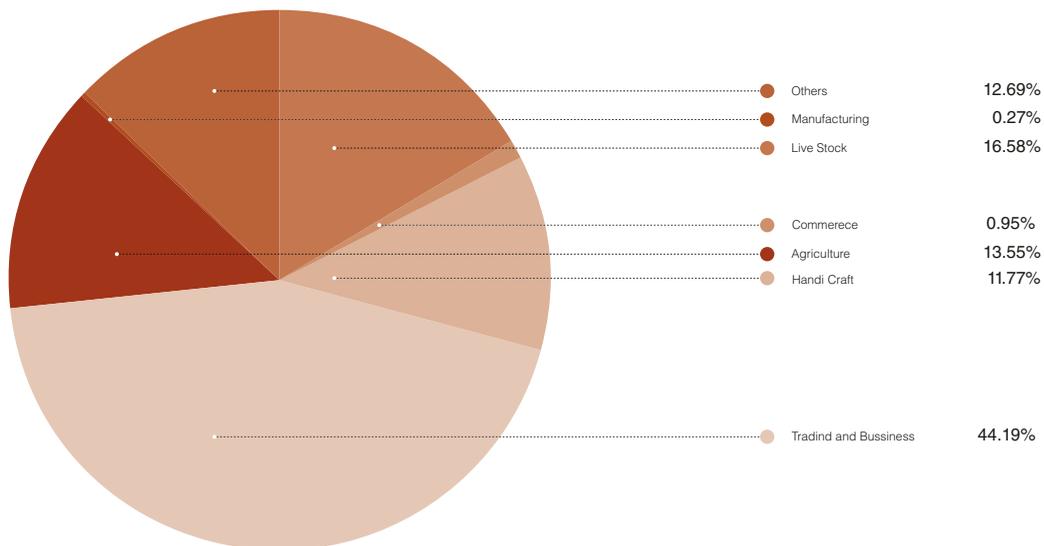
AREA-WISE ANALYSIS

Area 7

Dipalpur, Okara, Okara II & Renala



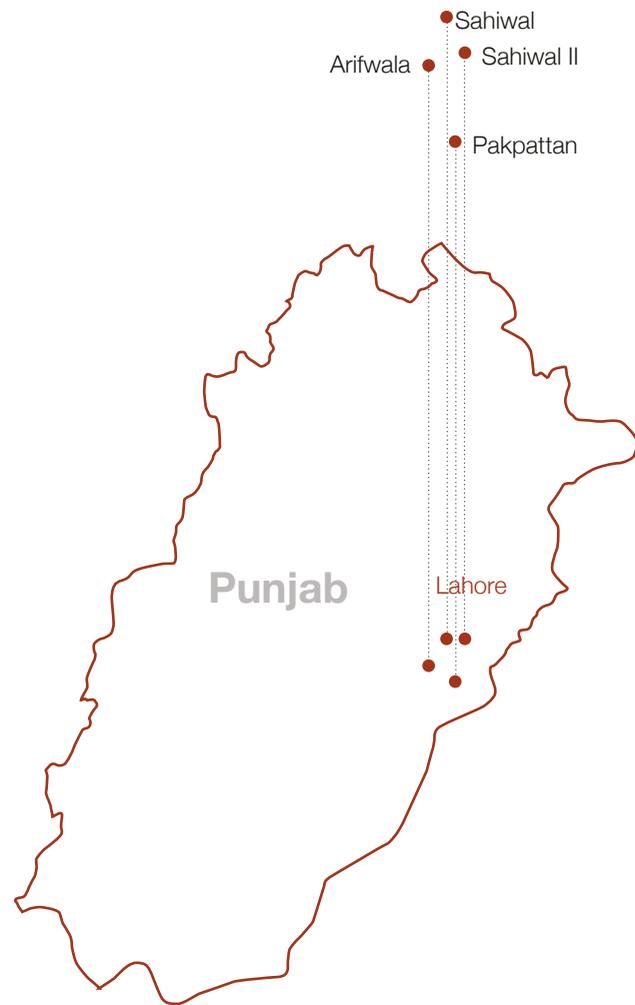
Cumulative clients	18,327
Active clients	4,057
Repeat clients	8,834
New clients	9,493
Total amount disbursed	693,501,498
Average loan size	37,840.43



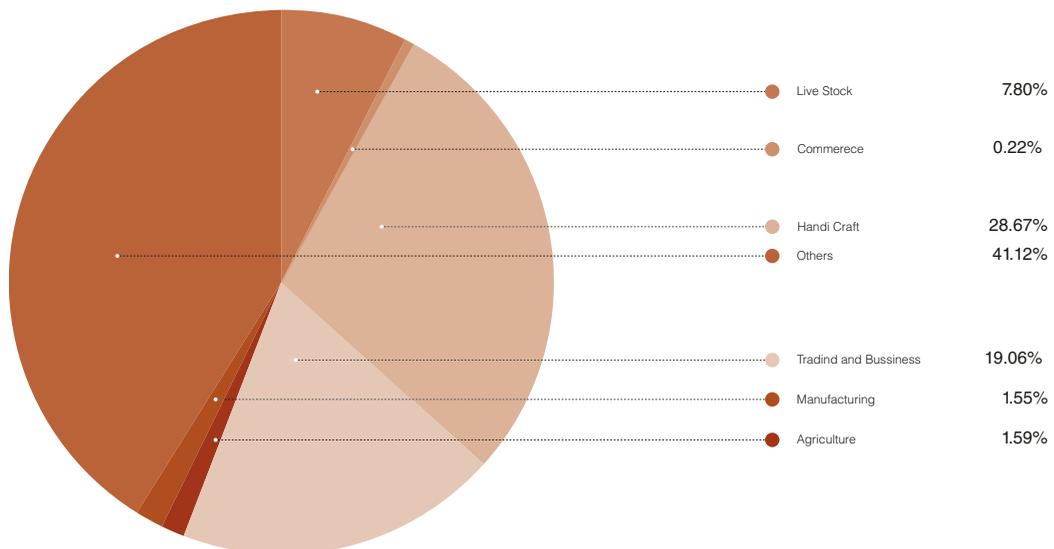
AREA-WISE ANALYSIS

Area 8

Arifwala, Pakpathan, Sahiwal I & Sahiwal II



Cumulative clients	1,838
Active clients	1,837
Repeat clients	2
New clients	1,836
Total amount disbursed	91,460,000
Average loan size	49,760.61



CLIENT JOURNEY

Second Meeting

interested clients attend this meeting and bring the required documents (ID card, partner ID card, 2 pictures, 1 partner, utility bill) + group formation (7-15)

Centre leader identification (PDC, Resident, stamp paper)
2-3 Group leader

1 rented client can be accommodated, divorcee

Door to door
Mobilization



First meeting

Introduction, product information, insurance, percentage, etc

Third Meeting

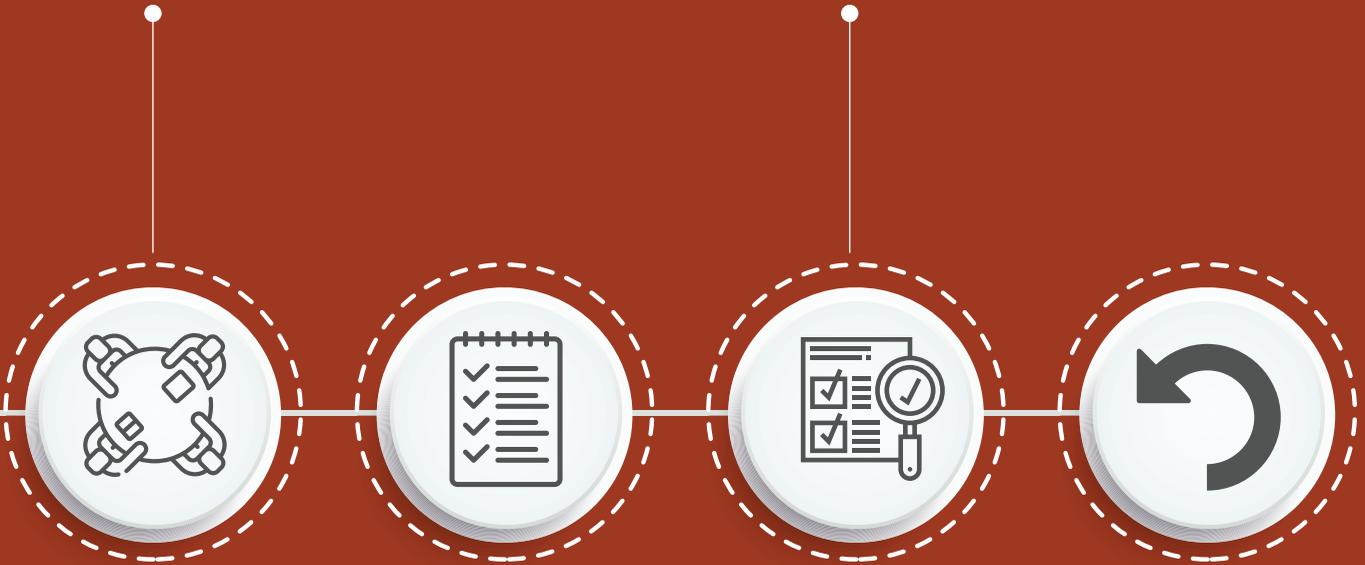
(form filling at client's doorsteps)

Fourth Meeting

(male meetings Partner)

Disbursement day Area Manager re-verifies

during discussion with client and final approval
Cheques given to clients and they get them en-
cashed.



BM verifications of clients and documentation

BM's approval
LDF generated by account
officer
Cheques generated

Recovery process

Group leader- center
leader collect from the
entire group
Center leader + group
member deposit amount
in bank and provide the
deposit slip to branch
Center meeting (at
center leader's place) -
passbooks updated and
attendance marked, social
issues discussed

INNOVATIONS AND PARTNERSHIPS



“

Having an affordable ride for day to day commute would make me feel more empowered, solving my daily mobility issues, and I'm thankful to CEIP and KFC for providing me this wonderful opportunity.” -Sadia



KFC partnership

CEIP has been working closely with its partners to bring innovative solutions for community benefit. Following suit to traditions, it has partnered with global fast food giant, KFC, by engineering an initiative to increase female mobility and visibility on the roads by loaning vehicles to female delivery drivers. The first batch consisted of 9 females, to whom CEIP provided scooties along with scooty riding lessons through its female staff members. CEIP is thrilled to be KFC's financing and advocacy partner on the project, which it hopes would help these female riders on their jobs, and in acquiring scooties at affordable instalments. KFC is also keen in offering this earning opportunity to CEIP's clients and is conducting sourcing sessions at CEIP's branch offices. Through this partnership, both the partners wish to graduate many more female riders after this initial batch over the coming months and years. Both companies are looking forward to a long and fruitful partnership.



Careem Partnership

In partnership with Careem, CEIP is bringing a new and exciting earning opportunity to the market, the Captain Loan. This loan will provide a new financing facility to Careem Captains to purchase their own Motorbikes and Rickshaws. Like other vehicular loans, Captains would be able to acquire the vehicle on an easy to pay installment plan, spanning over a period of two years. As opposed to driving rickshaw conventionally, these individuals would have access to the Careem's vast network of clients and would be able to generate more income. This opportunity would also be extended to transgender community, making them economically empowered. CEIP hopes that this partnership would bring livelihood to the low income community, as no person should be left out, due to lack of access to finance.

Transition

CEIP has launched its newest campaign, 'TRANSition' whereby it is seeking to eliminate some of the mobility challenges that the Transgender community faces. As a part of this project, CEIP has entered into a partnership with two organizations working on Transgender rights, Go Green Welfare Society (GGWS) and The Gender Guardian(TGG), and is offering their transgender beneficiaries motorbikes at exceptionally favorable rates, making the instalments affordable and convenient.

CEIP saw this partnership as a perfect opportunity to extend its services to one of society's most marginalized community by providing them safe means of mobility that can enable them to seek employment for economic empowerment. In the pilot stage of the project, 10 transgenders were nominated by both the partners, who received the bikes at a discounted interest rate, making it economically viable for them. CEIP also provided bike riding lessons to these transgenders through a member of their own community.

A mega event was held on 17th August, 2018 at Pearl Continental Lahore to effectuate the partnership and to create awareness on the vulnerability of transgenders in our society. In order to ensure that the transgender beneficiaries can economically benefit from the bikes disbursed to them, CEIP and GGWS approached cooperatives who can provide employment opportunities to them. CEIP is in talks with ride hailing companies – Uber and Careem and delivering company- Cheetay, and GGWS has approached food chains – Sarpino's and Broadway Pizza to provide transgender associated with the project with jobs.



Micro Ensure partnership

CEIP has entered in to a strategic alliance with MicroEnsure, a leading provider of mass market insurance worldwide. CEIP and MicroEnsure will work together to develop and distribute innovative and affordable insurance solutions tailored to the specific needs of CEIP customers.

Appreciating the partnership, as another step towards reaching out to tens of millions of uninsured and under-insured Pakistanis, Mr. Rehan Butt, Global Business Director - MicroEnsure added that:

“We have a track record of developing simplified insurance products and processes which help build faith of common man in insurance as an important risk management tool. CEIP and MicroEnsure both have the mission of financial inclusion in their DNA, and have a natural strategic fit for collaboration. We are confident that innovative products offered under this partnership will provide affordable financial protection to those who need it the most.”



Taleem loan

Education transforms minds leading to a peaceful and prosperous nation. The education system of Pakistan is comprised of 260,903 institutions facilitating 41,018,384 students. 31% of the educational institutes are run by the private sector, while 69% are run by the state (public institutes). The UN's Sustainable Development Goals, SDG -2, “to ensure inclusive and quality education for all and promote lifelong learning” relates to quality education, which according to new statistic has improved, the enrolment statistics of Pakistan, 2014 showed an increase in the students between the ages of 3-16 years. While SDG-5, “achieve gender equality and empower women and girls” relates to the availability of equal opportunities, which includes educational facilities.

CEIP will address financing needs of primary, middle, and high schools including vocational training institutes within its program areas, focusing on girl's education, and on educating the youth for employment opportunities in the country.





Graduation Loan

In Dera Ghazi Khan, CEIP has accumulated a portfolio of 23,481 number of clients over the past 4 years, under the Prime Minister's Interest Free Loan (PMIFL). These beneficiaries belong to severely poor households and communities vulnerable to fluctuations in the natural and economic environment. Based on the Poverty Graduation Model, CEIP has shifted these clients to our conventional portfolio, as they now have moved up in the poverty score card. This approach perpetuates the belief towards empowering communities to eventually become self-reliant by giving them the required financial and social support.



MoU with Greenlight

Mr. Tariq Zaman- Country Manager Greenlight Planet and Ms. Shaista Jan- CEO CEIP signed a MoU to meet the increasing demands of Solar Products. Together the organizations wish to provide a green and clean solution for load shedding.



MoU with Allied Energy

After running a successful pilot, CEIP has renewed its MoU with Allied Solar (Pvt) Limited. Ms. Shaista Jan- CEO, and Mr. Haseeb Saadat- CEO, Allied Solar, engaged in a MoU signing ceremony to work together in lighting up more households in 2018.



MoU with Symbiotics

Symbiotic is a leading investment company that specializes in emerging, sustainable and inclusive finance. Its mission is to positively affect low and middle-income households. This year, CEIP signed a MoU with Symbiotic to fund its endeavors towards financing microfinance loans and enterprise, and value-chain development projects, in low-income communities of Pakistan.



Partnership with LCWU

CEIP is actively engaged in promoting Scooties to young female students to help them with their daily commute. CEIP partnered with Lahore College for Women University (LCWU) and offered its students its Scooty Loan. An information session was held with interested students, who were provided with information and given a free ride on a scooty.



The Gender Guardian & Go Green Welfare Society MoU signing

CEIP is expanding its clientele by including the marginalised community of Transgenders in its customer portfolio. The organization signed a MoU with two organizations that work with/for transgenders; Go Green Welfare Society and The Gender Guardian.



CAPACITY BUILDING AND TRAININGS



South Asia Micro-Entrepreneurs (SAMN) Network Regional Conference, Colombo, Sri Lanka.

Syeda Nabila Tehseen and Atif Hasan represented CEIP at SAMN, a conference that focused on deepening financial inclusion through covering areas such as digitization, product loan, agriculture loan and monitoring process. The conference had participants from Pakistan, Nepal, India, Afghanistan, Bangladesh and Sri Lanka.



Facebook Training

CEIP's team attended a training arranged by Herself-Punjab Information Technology Board and Facebook's She Means Business. The training provided helpful insight on the tools available in Facebook and how they can be used to boost the business.

Staff Capacity Development

The Staff Capacity Development Program was started to train and develop skills of new, and old staff in different fields of microfinance. The program specifically helps in the skill enhancement of new employees in all the new branches. In this quarter, CEIP conducted training on Financial Ratio Analysis with its employees.



National Financial Literacy Program

CEIP has partnered with State Bank of Pakistan's Nationwide Financial Literacy Program (NFLP) and is helping impart financial knowledge to all its active borrowers. This program is spreading financial education for inclusive economic growth and stability across the country to increase financial inclusion. The Program intends to target middle income households and youth. The program envisions educating around 0.5 million low income households in first phase.



NEWS AND EVENTS



14th Annual Global Microfinance Forum, Munich, Germany

Nayab Gohar Jan, Head of Business Development & External Relations spoke at the 14th Annual Global Microfinance Forum on 'The Experience of Green Microfinance in Pakistan: An Emerging Market.' She spoke about the challenges of launching and obtaining funds for a green microfinance pilot, capacity enhancement of staff, channels to reach out to clients, and ways to solve the problem of the costly supply of green goods and technologies.



ACM 2018 Conference

CEIP bagged the Silver Pricing Disclosure Award by Microfinanza at Accelerating Financial Inclusion through Microfinance conference hosted by Pakistan Microfinance Network (PMN) and Pakistan Microfinance Investment Company Limited (PMIC). Ms. Shaista Jan, CEO CEIP and CSC received the award at the ceremony. Nayab Gohar Jan, Head of Business Development & External Relations, was also a part of a panel, 'Evidence based policy design' at the conference . She spoke about MFIs as massive producers of data and how this data can be utilised for research purposes.

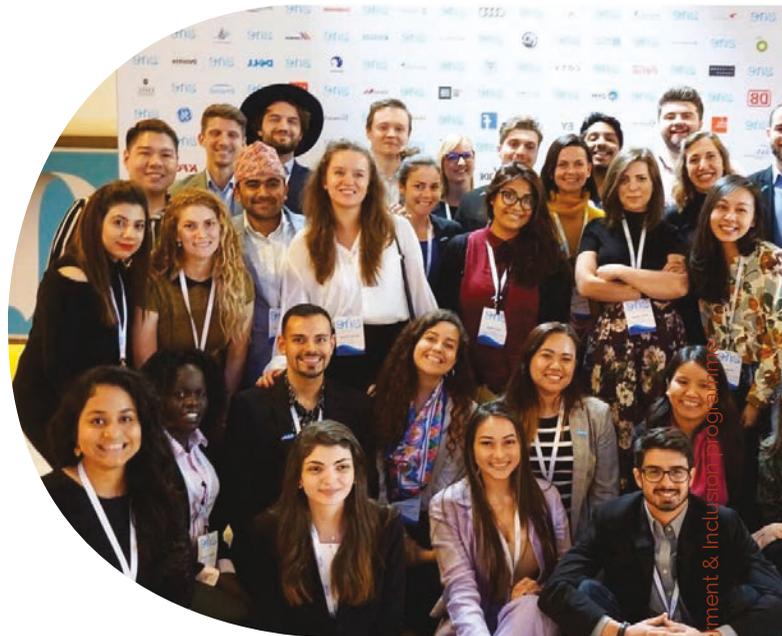
Solar-Off Grid Opportunities in Pakistan

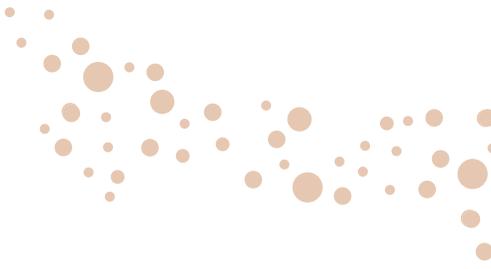
Solar-Off Grid Opportunities in Pakistan was organized by IFC under their Lighting Pakistan Campaign, in Islamabad. Nayab Gohar Jan, Head of Business Development & External Relations, was part of a panel discussion entitled: 'Reaching the Last Mile: Supply Chain and Consumer Awareness'.



One Young World

Nayab Gohar Jan was awarded the Western Union 'Moving Money For Better' scholarship to attend One Young World, a young leaders conference held at The Hague, Netherlands.





Solar Community Mela and IFC Lighting Pakistan Campaign

CEIP collaborated with the International Finance Corporation (IFC) - 'Lighting Pakistan' to conduct a solar energy awareness campaign. The campaign consisted of two street theatres and a Mela – Exhibition/Fair. Extending throughout March 2018, the campaign directly engaged over 1,000 households in Lahore through culturally resonant activities, including a Mela that featured a street theatre for spreading awareness on the benefits of using solar products. Apart from the street theatre, product stalls were also setup by CEIP's entrepreneurial clients, and quiz and poster competitions were organized for children present at the event. The campaign also featured two theatre performances conducted with clients of eight different branches of CEIP and was highly popular and appreciated by the community, who enjoyed the theatre and appreciated CEIP's efforts in providing high quality products to the community. Disseminating information about solar products, representatives of CEIP and its partners Harness Energy and Allied Solar, also used the platform to gauge the interest of borrowers in the newly launched solar energy loan program, a survey was conducted with the clients to assess the success of the campaign in creating awareness and demand for the products.



Acumen visits CEIP

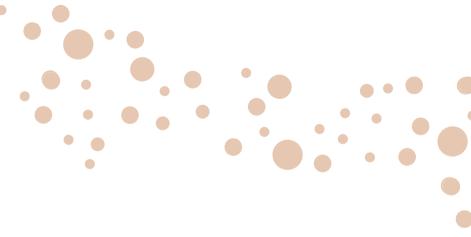
CEIP was honored to welcome Jacqueline Novogratz, founder and CEO of Acumen Fund, to our Head office and Greentown branch. Acumen Fund seeks out and invests in innovative and ethically driven companies. Jacqueline was there to meet beneficiaries of the Solar Energy Loan and get feedback about on the loans and how they were impacting the energy consumption patterns of the clients.



Women on Wheels

CEIP collaborated with Chief Minister's Strategic Reforms Unit -SRU initiative on the Women on Wheels mega rally. The highly successful event allowed a large number of women to reclaim public spaces. Some highly notable individuals spoke at the event, encouraging women to be more independent and take advantage of the new schemes available that seek to empower them. Ms. Nabila Imran, CEIP's Qainchi Branch Manager, represented CEIP in the rally, driving her scooty through the crowd at the WOW bike rally.





New Branches

As part of the organization's Strategic Expansion Plan 2017-21, 8 new branches were opened at Deepalpur, Okara, Sahiwal, Pakpattan, Jumbar, Habibabad, and Arifwala. The inaugural ceremonies were graced by CEIP's General Manager, Jamil Ahmed, and Operations Manager, Nabila Tehseen, who cut the ribbon and delivered motivational speeches to the new staff. Giving an impetus to microfinance in Pakistan, CEIP is actively engaged in the financial inclusion of marginalized communities in the country's economy. It plans to expand to a total of 57 branches by 2021, for which extensive market identification and feasibility studies are being conducted by the Risk and Compliance department, while the Human Resource continues to hire and motivate staff to develop their capacity through orientations, trainings, and workshops.



KFW Visit

A delegation from KFW Bankengruppe and Pakistan Microfinance Investment Company Limited - PMIC consisting of Mr. Etschmann- Senior Technical Expert Energy Asia KFW, Ms. Schmidt- Senior Project Manager Infrastructure and Financial Sector Pakistan KFW, and Mr. Siddiqui -Head of Sector Development PMIC visited the head office to gain insight on our Solar Energy initiative.

WIN visit

CEIP's team visited Women Innovation Network (WIN) Punjab to meet with the first batch of startups incubated in the program and to gauge their financing needs. Evaluating their needs, CEIP is in process of designing a loan product specifically for start-ups.



Pink Tea Party



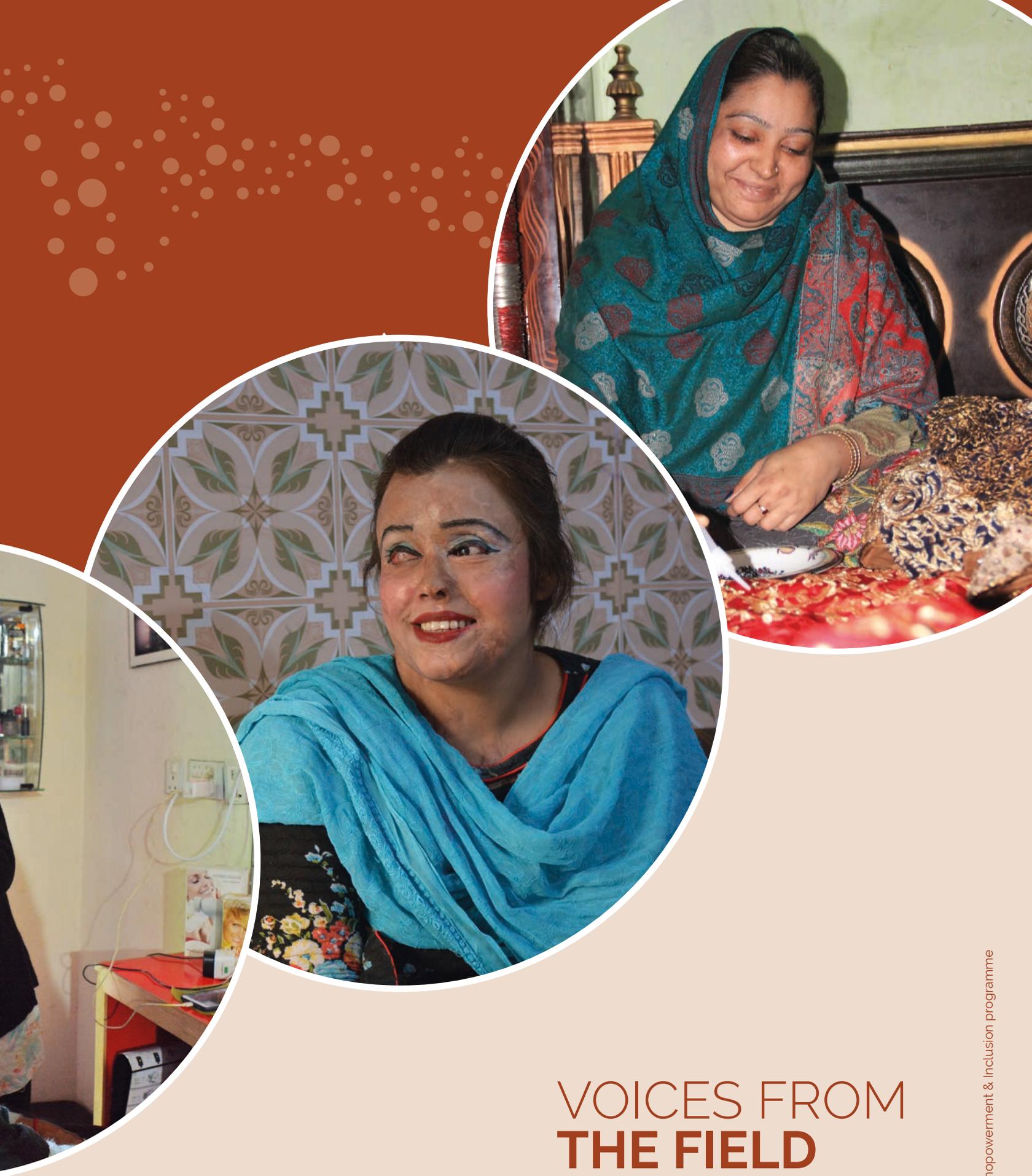
16 days of activism



Mother's Day

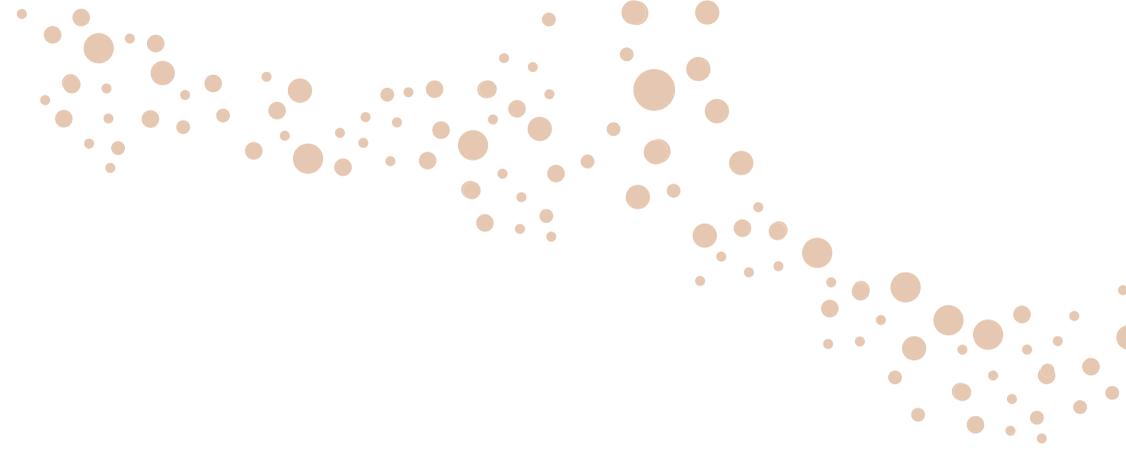






VOICES FROM **THE FIELD**





FARZANA KASHIF

Over the years, CEIP, through its microfinance network, has built a portfolio of talented and inspiring individuals, who through their hard work and determination inspire the organization to continue to empower vulnerable population through its financial products and services. Farzana Kashif is one such client that has not only worked to improve her financial position but, empower other poor women from her community to become economically active members of their homes.

Farzana, about ten years back, moved to Lahore with her husband, children, and father-in-law from Karachi, due to the unstable political situation in her home town. Unfortunately, soon after they moved to Lahore, her father-in-law fell seriously ill and most of their savings were spent on his treatment, even then he could not survive, leaving the family both emotionally and financially drained. Seeing the destitute situation of her family, Farzana started working in a popular textile factory as an assembly line worker along with her husband, who worked as a quality control officer. Farzana, through her hard work was able to work upwards to the position of a supervisor. During this time, she got a chance to work with women from different communities such as Bahawalpur, Multan, and various parts of Lahore assessing the potential of these home-based workers. She started observing many woman from her neighbourhood, who despite being incredibly talented, could not utilize their skills to earn, either because their families did not allow them or they themselves did not believe in their abilities. Therefore, Farzana started gathering women from her community and started her own workshop, taking orders from her previous employer, and paying wages to these women. Soon afterwards more and more women started volunteering themselves seeing how positively it changed their friends' financial situations. One woman, whose husband passed away, saw this as a perfect opportunity to run her house, she together with her daughter

started working with Farzana and earned around Rs. 50,000 a month. Another woman, Amina, whose husband was a laborer and depended on daily wage, often saw days where they had no money to spend. She saw this as an opportunity to help her husband in running the finances of their home. Unfortunately her husband did not share her views and prevented her to work, she taking encouragement from Farzana started taking work home and stitched clothes whenever she found time. Farzana knew that when Amina's husband would see his wife's earning, would be easily convinced and would allow her to work. Meanwhile, she asked her to keep her work hidden from her husband until she has earned enough and can share it with him, who would then realize his mistake. As things took a turn for the worst for Amina's husband, who could not earn a penny near Eid, and became extremely depressed, Amina's earning was a source of relief for their family. Seeing her husband depressed she withdrew her savings from Farzana, of around Rs. 70,000, and shared it with her husband and informed him that she stayed home and worked in her spare time to help him, and he should trust his wife. Seeing his mistake, Amina's husband broke down in tears and from that day onwards allows his wife to work.

Farzana claims that there are many similar stories she can share from among her workers, whom she has helped become empowered. CEIP is proud of such clients who have not only changed their lives but, have helped many others in their journey to become self-reliant and self-sufficient.





JEWEL BB

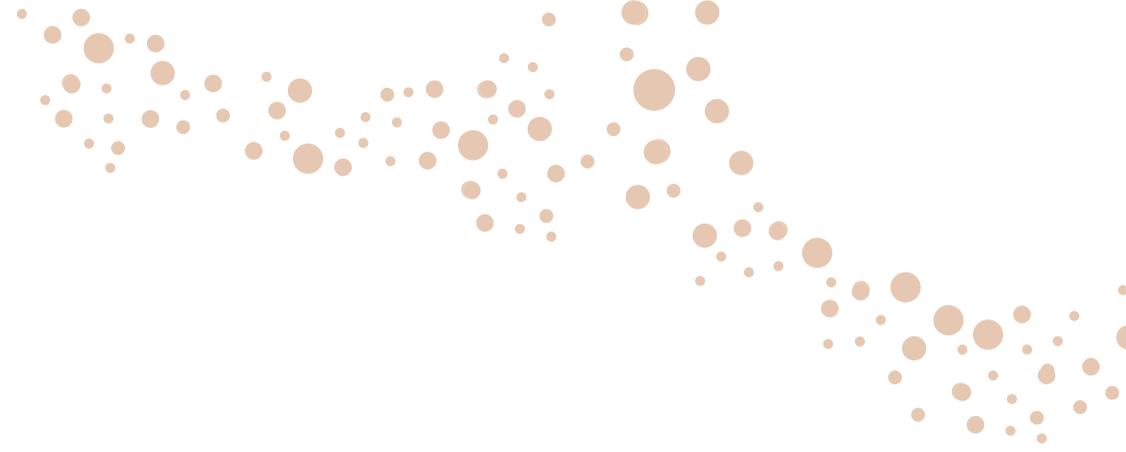
In a conservative and patriarchal region like D.G. Khan, the example of Jewel BB serves as a reminder that with patience and determination every woman can claim their rightful space in a male dominated society.

Jewel BB was young and naïve when she became a widow and the responsibility of her three young children fell entirely on her. Jewel was a proud woman who did not want to burden anyone with the responsibility of her and her children. She decided to start her own business by selling bangles from home, thinking it would be easier for people to accept her business if she did so from home. Unfortunately, due to little marketing, she was not able to sell her bangles and she decided to change her business strategy and try selling them door-to-door. Although her sales improved, she still did not sell well due to limited bangle variety and range. She was keen on improving her business and thought of buying a stall in the main market of Kot Chatta, but she had very little earning from her sales.

Jewel had lost all hopes, fortunately, one day she was introduced to CEIP by a friend. She was informed by CEIP about the Prime Minister Interest Free Loan (PMIFL), which provided individuals like her with interest free loans to help them initiate their businesses. She successfully applied for a loan, and received her first loan of PKR. 20,000. Jewel used this money to purchase a stall in the main market of Kot Chatta, and became the first female entrepreneur to open a stall in the male-only run market. She bought a good variety of bangles with the loan, and saw her business flourish under the new set-up.

She took a second PMIFL loan of 30,000 and restocked her stall with better range and variety of bangles. She now has a stable clientele in the market, where she is respected as a fellow-entrepreneur by the neighboring shop owners, who have accepted a woman amongst them. She is now on her third loan cycle, and is sending two of her children to school. She has also improved her living condition and manages her expenses well.





MOON

Transition Beneficiary

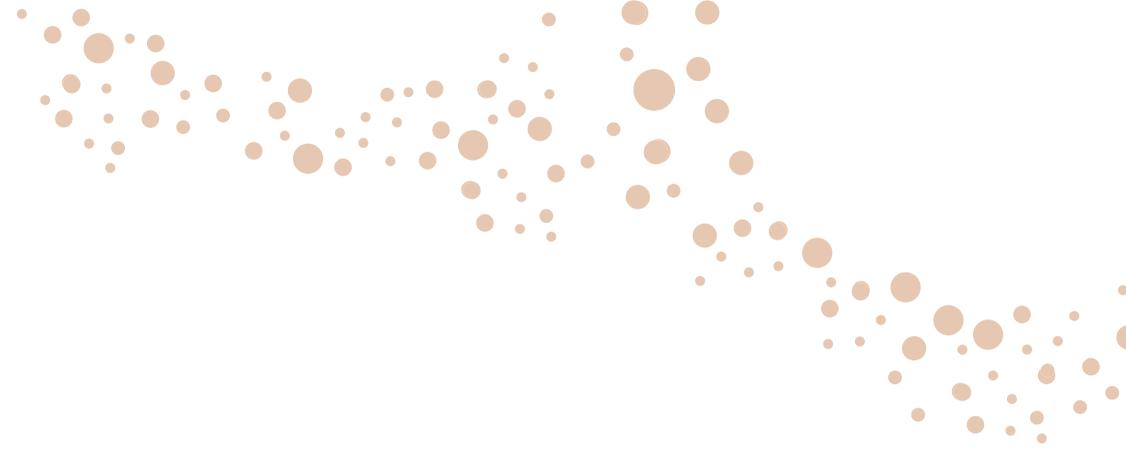
Associated with brightly colored clothes, dancing, singing, and begging, a century of stereotypical connotation has left Transgenders marginalized and discriminated, at the hands of the society that will not provide them with equal opportunities. CEIP recognizes the failure of a setup, and aims to do what it can to help these deserving individuals. Recently, CEIP launched its TRANSition initiative with collaboration of Gender Guardian and Go Green. The project has helped a handful of transgenders with easy mobility to aid them in their pursuit for equal employment opportunities.

One such beneficiary of the project is Moon, a transgender from the suburbs of Lahore and an inspiring transwoman who has broken many stereotypes to stand where she is today. Moon works at BeeZee parlor located in Johar Town. She is happy to share her story as she counts herself lucky to have found support and acceptance from home, friends, and neighbors. She explains how her family did not give in to fear or cultural pressure, and let her be. She completed her education up till

8th grade, and found the organization Gender Guardian from where she received beautician training. However, she found it extremely difficult to work as she did not find public transportation safe, and was hesitant to take rickshaws to work, as they were too expensive. She shares that she was always excited to work in a salon, and the bike has made it easier for her as she no longer has to worry about unreasonable fares or unsafe public commute.

Moon through CEIP's microfinance platform is able to afford the bike, with an easy-to-pay instalment plan. She states that she has encouraged other transgenders to be like her, fearless and independent. She is now in pursuit of her dream to become a fashion model like Kami Sid, her role model. Moon has also starred in a short-film "Safaar – Journey", about a transgender breaking societal norms by standing up for her rights. We hope that Moon can break more barriers, and achieve all her dreams.





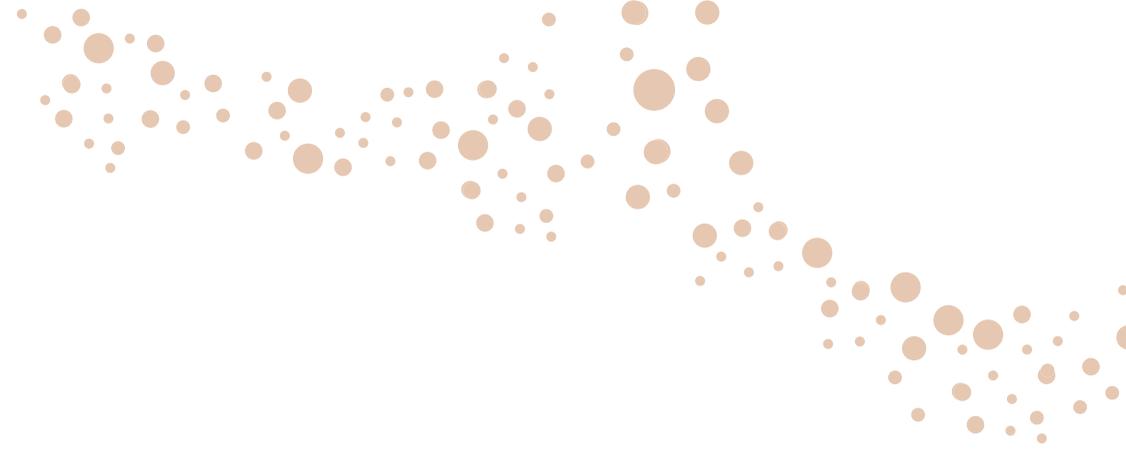
SAIRA LIAQAT

It takes real courage for women to make a living in a male-dominant society like Pakistan, but it becomes even harder when you have been a survivor of a vicious attack that leaves you scarred and visually impaired. Saira Liaqat was only 15 years old when she was wedded off to her cousin, Syed Irfan. Initially it was agreed that Irfan would wait until Saira completes her education before the Rukhsati. However, soon after their Nikkah, Irfan backed from his promise.

One day, when Saira's parents were at work, Irfan came on false pretense of visiting their sick grandfather. Taking advantage of her parent's absence, he attacked her with a bottle of acid. She recalls being in the worst pain, as if her entire body was set on fire, as the acid seeped across her face and body burning everything that came in contact. She remembers the smell of her grandfather's clothes burning as he hugged her while she was trenched in acid. Saira's parents were shocked to see their daughter in such a fragile state having received third degree burns all over her body.

Saira was lucky to receive treatment through the help of a local NGO, who also sent her to Italy where she participated in a beautician's training course to become a qualified beautician. Saira started working in a parlour, but always dreamt about opening her own salon. CEIP envisions that "no economically active poor will remain financially excluded" and has helped hardworking individuals like Saira with financial assistance they require to help them in their businesses. She quit her job after her introduction to CEIP, which provided her with the right financial plan for the salon. Now on her third loan cycle, she is successfully running a salon in Green Town, Aleena Beauty Parlour and Training Institute earning an average of Rs. 90,000 a month. Along with her parlour, she runs a training institute and teaches beautician courses to young girls. She has trained four girls, one of whom works for her. Saira hopes that her story can inspire other victims of abuse to be independent, and not let their past influence their present or future.





RUBY JAMEEL

A huddle of women join heads as Ruby Jameel elucidates the designs to them, explaining which stone to use on the order that had just arrived for them. There are about ten women in her team that have found livelihood through Ruby's business as one woman states that "it is through her we can earn from home."

Ruby is one amongst 8 siblings; 6 brothers and 2 sisters, who had settled in Lahore after marriage, far away from her family who live in Sindh. She has been part of the CEIP's family for 10 years, and started by helping her cobbler husband in his business. She tells us that when her cousin asked her about referring some women from her vicinity, who can put stones on embroidered shirts, she volunteered herself to find and manage these women. It worked really well as she started taking orders from him, and passed them down to women in her neighborhood, sharing the

earnings with them. Ruby receives semi-finished kurtas from her cousin, which she passes down to these women, along with the materials and tools for beading/stoning. She earns PKR. 10,000 a week of which she pays PKR. 6000 in labor, and keeps PKR. 4000 as profit.

The beading business, which she started 3 years back, has brought a lot of good fortune to Ruby's family. She is able to provide well for her two children, a girl and a boy, who attend a local school. She is optimistic for the children, and hopes they will achieve a lot in the future. Ruby hopes that one day she will be able to climb up the enterprise structure, and become the wholesaler herself, increasing her profit margin.

02



CSC

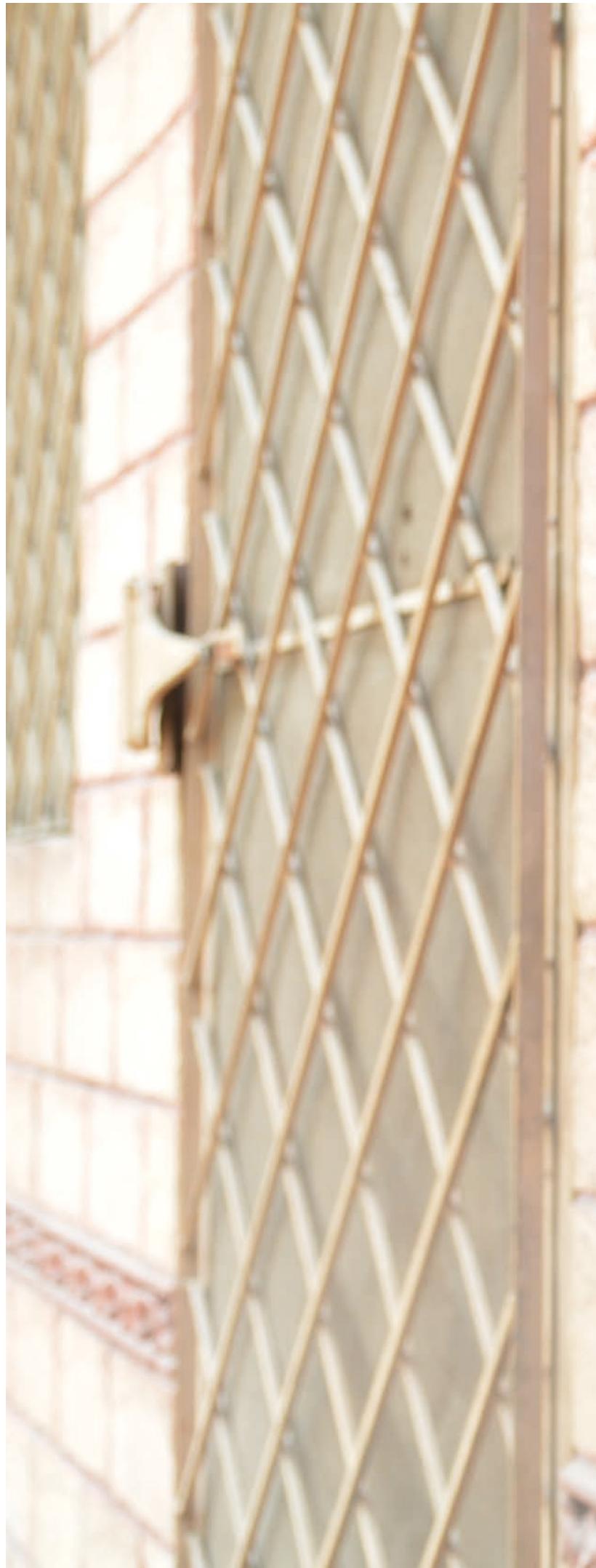
- [Project Roundup](#)
- [Statistics](#)
- [Success Stories](#)
- [News & Events](#)

PROJECT ROUNDUP

PWRCD aims to create awareness on women rights, while assisting the process for availing justice against acts of violence faced by women, and rehabilitating them through skills development, which encourages them to be economically active and independent. The project also engages female and male stakeholders from the community, sensitizing them through gender awareness workshops, and linking them with institutions providing justice.

The project targeted 30 villages in Sheikhpura through 239 activities ranging from street theater on Women's Economic Empowerment reaching 2700 community members to Skill Enhancement Trainings with 224 women entrepreneurs. The activities benefitted 25,335 participants in total.

"Social and economic development cannot be improved without women's empowerment, there is no way for development more effective than the empowerment of women. The only way to solve the problem of women's subordination is to change people's mindset and to plant the idea of gender equality into every mind."- Shabana Bhatti, CBO Coordinator.





STATISTICS

Training workshops with Religious Leaders		110
Organizational, Community, and Financial Management training with CBOs		103
Gender and Development Right Based Approaches on Women and Human Rights training for CBOs		116
Project Proposal Writing and Fund Raising Techniques training with CBOs		117
Training Workshops with lawyers of Tehsil Bar		117
Para legal Training workshops with Male and Female Youth	Male Youth 870 Female Youth	810
Asset Distribution to Victim Women		25
Gender Awareness Dialogue: Pre-theater dialogue		750
Street Theatre Performance	approximately	13500
Post-theatre Dialogue		900
Speech competition in school and colleges		590

Sensitization training on women rights with Media persons	27
Student Peace Clubs for interfaith harmony	256
Skill Enhancement Training	224
Marketing/Enterprise Development Training	216
Computerized National Identity Cards	250
Birth Certificates for girls	46
Registration of Marriage Certificates	30
Networking of NGOs and legal Agencies	28
Women Product promotion Mela	503
Post-theatre Dialogue	900
Establishment and Strengthening of local Resource Centers	Students approximately 5400



SUCCESS STORIES

Arooj

Kot Abdul Malik 2

A bubbly young girl, Arooj smiles broadly as she talks about her college, and her future plans. No one could have guessed that this young 16-year-old schoolgirl, has a pending divorce case in court. Arooj's mother Sarwar never thought that she would marry her daughter at a juvenile age of 14, and worse that she would go through physical and emotional abuse at the hands of her husband. Sarwar saw a different future for all her daughters; educated, independent, and fearless. Unfortunately, when her very close family friends asked for Arooj's hand in marriage for their son, Sarwar felt obliged to say yes. She thought that Arooj was marrying a gentleman who would take good care of her. However, the man turned out to be very egoistic and abusive, who had extra-marital affairs, and assaulted his wife, both physically and mentally. After sometime Arooj had enough of her husband's transgressions, and sought CSC's paralegal assistance to file a divorce case.

Sarwar supported her daughter's brave decision, and did not pay heed to "loug kya kaheingy (what would people say)?" Meanwhile, to help Arooj get her confidence back, she enrolled her back in school, and encouraged her to follow her sisters' footsteps, who both graduated from college and were now teaching in schools. Arooj took Entrepreneurship and Skill Enhancement Trainings from CSC's PWRC program. Moreover, she also received two sewing machines from CSC, and basic stitching material to help her start the tailoring business, which supports her tuition fees.

Arooj hopes to become a lawyer one day, and fight on behalf of needy girls. She hopes to raise her voice against abuse, and fight for women and girls' rights.



SUCCESS STORIES

Saman Fatima

Kot Abdul Malik 2

A self-driven and confident woman, Saman Fatima, is a security guard at a local private hospital in Sheikhpura. Receiving a low salary of Rs. 9000, she barely makes it through the month, supporting her two children, a son and a daughter. But, she is optimistic about the future and looks forward to starting her own tailoring shop. However, she was not always buoyant about her life, she is a survivor of domestic abuse, and like other victims she went through a period of self-doubt and hopelessness from which she was not confident that she will get through.

Saman Fatima was identified as a victim woman, during one of the Paralegal Training sessions as part of the Promotion of Women Rights in Punjab and Capacity Development Project (PWRPCD), attended by her sister. She had been married to her husband for 7 years of which she had only spent 6 months in a blissful marriage. She said her problems in the beginning were confined to a strict and rigid mother-in-law who would often complain to her husband about itty bitty problems and tussles that were part of a normal joint-family. She had to face extreme verbal abuse at the time of her daughter's birth as sons were preferred over daughters, and she was blamed for not producing a 'suitable' child. During this time, her husband contained himself to verbally abusing her but, later this abuse turned to physical assault. She said things changed after her husband started using drugs. In the beginning, her husband worked in an assembly factory but, due to his excessively increasing drug habit, he lost his job, and began demanding money from Saman who would rely on her

parents for it. She said that he would often beat her up in front of her in-laws who would do nothing to protect her or her children, she had little left to do but, to leave for her parents. Saman states that she got lucky when her sister informed them about the rights she possessed as a wife, how divorce is a taboo in their community, and how Islam and the Pakistani Constitution has permitted a wife to seek divorce in such circumstances. On encouragement of Saman's sister, the family sought out CSC's help, who are implementing the PWRCD project in Sheikhpura in partnership with BROT. CSC acquainted Saman to Ms. Raheela, Legal Councilor for victim women, and submitted her case for divorce (Khula) in court. After receiving the legal notice, Saman's husband filed for custody of the children to discourage Saman from seeking divorce. However, Saman did not back off from her commitment to improve her and her children's life, and fought her case in court for a year before winning the case.

She now lives with her children at her parents house, and has attended the Skills-Enhancement training to improve her stitching and has been selected for the project's Asset Transformation to victim women. She will receive a Basic Stitching Kit and a sewing machine which would help her in starting her tailoring enterprise. She is now content with her life and hopes for a bright future for her children.



Community Support

Project Office

thun

SUCCESS STORIES

Shameem and Parveen

This is an inspiring story about two friends, who came together under CSC's PWRCD project, and formed a partnership based on understanding, support, and mutual interest. Parveen and Shameem, both are two hard-working women, who faced unfortunate circumstances in their lives that brought them together. Almost three years ago, Parveen went through a custody battle for her children against her abusive husband, who used to humiliate and physical abuse her on daily basis. She successfully won the case through CSC's paralegal assistance, but faced severe financial crisis, as she had no earning opportunities available to her. On the other side, Shameem never married, supporting her family through stitching and other odd jobs, she found it impossible to abandon her family by marrying and thus taking away her support.

CSC holds Skill Enhancement and Entrepreneurship trainings that helps deserving women like Parveen and Shameem to develop skills necessary to start their own businesses, and become financially independent. Parveen participated in a beautician training, where Shameem was also taking part, and

together they initiated a partnership. They both joined their resources; Parveen offering the beautician startup kit received from CSC, and Shameem contributing a space in her house to start a small beauty parlour.

Currently they are working in the same setup and divide the profits among themselves. During the wedding season, the parlour can earn up to PKR. 20,000/week. Apart from running a parlour, the two women also utilize their idle time in making and selling bangles, sometimes even exporting these abroad. They have also recently expanded their businesses by offering formal attires on rent. These valiant women now plan to open a bigger, more commercial space to target better paying customers. To do this Shameem aims to "improve her skills to compete with the bigger salons on the main road."

NEWS AND EVENTS



German Secretary's visit

Dr. Jürgen Zoll, First Secretary and Head of Economic Cooperation and Development at German Embassy, visited CSC's project office in Sheikhpura to meet with female beneficiaries and religious leaders of the project Promotion of Women Rights in Punjab & Capacity Development (PWRCD).



Outcomes & Impact Orientation (OIO) Workshop, BROT, Dubai

As a key implementing partner of BROT's project in Sheikhpura, Promotion of Women Rights in Punjab & Capacity Development (PWRCD), CSC participated in the workshop with the attendance of three staff members, Shabana Bhatti, Nashmia Ali, and Ahmed Lodhi. With the overall objective of communicating the changed requirements of BROT for outcomes and impact, the workshop assisted partners in realigning their Project Monitoring & Evaluation (PME) systems.

Victim Women Rehabilitation event

CSC has provided financial assistance/support (material and initial equipment) to 25 victim women to rehabilitate them by starting their own small businesses at local level. For the purpose, CSC also arranged training workshops on Skill Enhancement, Enterprise Development and Marketing for so that they could be economically empowered, and be strong enough to face difficult circumstances. An event was organised for asset transfers so that these women can become independent and no longer rely on their families.



BROT mela

A Mela was organized on 8th December 2018 in Mandianwala to reflect the contribution of women in the society, and promote their enterprises. The participating women entrepreneurs set-up their stalls and exhibited their products and businesses. The event provided them with an opportunity to earn and exhibit their products to the masses. Approximately around 500 people from all ages and backgrounds attended the event.





Speech competition at school

CSC organized 7 speech competitions at public and private schools and colleges to raise awareness on gender based violence. The competitions were motivational in encouraging constructive activity among young adults. About 714 students partook in the speech competitions as speakers and audience members; the speakers expressed their opinions on topics related to peace and harmony, girls education, domestic violence and women rights.



Peace Clubs for Interfaith Harmony

CSC organized a number of training workshops on Peace Clubs and encouraged teachers to start off 'Student Peace Clubs' at school level. 112 teachers participated in 4 trainings, and further educated their students regarding the importance of promoting peace and inter-faith harmony amongst each other and in the society at large. A peace captain was elected by the students for 6 months in each class, and who ensured that his fellow classmates did not resort to violence, and resolved their conflicts in a respectful manner.



Capacity Building Workshops with male and female youth

CSC conducted 30 Male and 30 Female Paralegal trainings for youth in the past twelve months. These trainings were facilitated by a Rahila Kamran, a female lawyer working with CSC as a Paralegal trainer. The topics discussed under the sessions were on Family, and Custody Law and covered issues like dealing with emergency situations, and on administrative and legal procedures.

A young girl with dark hair, wearing a purple school uniform, is looking out a large window. The window shows a view of a field and trees. The girl has a small blue mark on her cheek. The window frame is dark, and the wall is light-colored.

WAY FORWARD

Microfinance is undergoing perhaps the most rapid changes since its inception. We are an industry that is headed towards greater competition, greater innovation, and hopefully, greater outreach. The current outreach of the sector encompasses less than 10.5% of the target market, and hence, there's a long way to go. With the entry of microfinance banks, local and foreign, the dynamics of the sector are evolving. The next few years will encourage MFIs to further strengthen their internal governance mechanisms, make their customer journeys faster and easier, and collaborate with an array of partners in innovative manners.

For CSC, the way forward involves a retrospective and inward look into its internal mechanisms and procedures. Strengthening our human resource capability is at the top of our agenda for the next year. As we gear up for further expansion in the coming years, we have taken a step back and we want to invest in the people who make us who we are. In this regard, we are proud to announce the launch of our female mentorship program which

will enable junior women in the organization to freely share their experiences, and will focus on their professional development within CSC.

With that, we also take a critical look into our customer journey, and in 2019, we plan on executing our digitization plan that will enable our clients to have a more enriching and efficient experience.

2019 is also bringing with it new and exciting partnerships with both corporate and international development partners. These partnerships revolve around our Solar Energy Loan, as well as the expansion of our vehicle loan and Education Loan. Working with partners has allowed us to deepen our impact and outreach, and we look forward to many such collaborations!

03



AUDITED REPORTS

- INDEPENDENT AUDITOR'S REPORT

To the members of CSC Empowerment and Inclusion Programme
Report on the Audit of the Financial Statements

INDEPENDENT AUDITOR'S REPORT



To the members of CSC Empowerment and Inclusion Programme Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of CSC Empowerment and Inclusion Programme ('the Company'), which comprise the statement of financial position as at 30 June 2018, and the income and expenditure statement, the statement of comprehensive income, the statement of changes in fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income and expenditure statement, the statement of comprehensive income, the statement of changes in fund and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of the surplus, other comprehensive income, the changes in fund and its cash flows for the year then ended.

Basis for Opinion

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

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

Management is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements of the Company 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.

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.

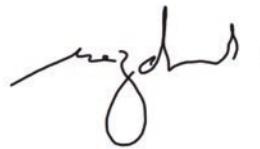
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 income and expenditure statement, the statement of comprehensive income, the statement of changes in fund 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 Mubashar Mehmood.



RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore
Date: 04, Oct, 2018

CSC EMPOWERMENT AND INCLUSION PROGRAMME

(A Company setup under section 42 of the Companies Act, 2017)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

ASSETS	NOTE	2018	2017
		Rupees	Rupees
Non-current assets			
Fixed assets	3	42,825,604	24,021,840
Intangible asset	4	356,784	320,000
Long term micro credit portfolio	5	9,902,530	6,071,109
Long term security deposits		6,248,100	1,612,820
Total non-current assets		59,333,018	32,025,769
Current assets			
Micro credit portfolio	6	830,584,830	591,045,300
Advances	7	3,325,646	3,666,052
Short term deposits and prepayments	8	6,907,449	3,946,300
Service charges receivable on micro credit portfolio		13,475,543	10,812,648
Other receivables	9	19,325,962	22,356,256
Short term investments	10	220,872,221	66,549,896
Cash and bank balances	11	193,274,904	98,734,343
Total current assets		1,287,766,555	797,110,795
TOTAL ASSETS		1,347,099,573	829,136,564
LIABILITIES			
Non-current liabilities			
Long term financing - secured	12	530,628,197	181,880,000
Liabilities against assets subject to finance lease	13	9,795,908	-
Deferred income tax	14	2,981,730	334,775
Deferred credit - grants	15	45,052	209,532
Total non-current liabilities		543,450,887	182,424,307
Current liabilities			
Accrued and other liabilities	16	5,009,823	11,177,679
Accrued markup	17	1,519,294	11,374,661
Current portion of long term liabilities	18	510,571,072	372,889,967
Provision for taxation		17,812,586	9,773,277
Total current liabilities		534,912,775	405,215,584
TOTAL LIABILITIES		1,078,363,662	587,639,89
NET ASSETS		268,735,911	241,496,673
REPRESENTED BY:		268,735,911	241,496,673
Fund		268,735,911	241,496,673
CONTINGENCIES AND COMMITMENTS	19	-	-

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

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CHIEF EXECUTIVE

[Signature]

DIRECTOR

CSC EMPOWERMENT AND INCLUSION PROGRAMME

(A Company setup under section 42 of the Companies Act, 2017)

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

INCOME	NOTE	2018	2017
		Rupees	Rupees
Service charges		241,032,058	168,391,506
Risk coverage fee		6,926,727	4,399,450
Loan processing fee		27,706,701	17,597,800
Income under PMIFL scheme		11,836,224	11,645,768
Amortization of deferred credit - grants	15	164,480	244,217
Other income	20	13,382,869	15,357,324
		301,049,059	217,636,065
EXPENDITURE			
Direct Program Costs:			
Salaries and other benefits	21	93,096,937	78,266,140
Operational costs	22	49,115,876	40,153,630
Provision made against non - performing loans - net	23	18,101,801	1,497,432
Trainings and workshops		3,915,838	3,286,678
Financial and other charges	24	64,034,296	41,414,611
		228,264,748	164,618,491
General administrative and management expenses	25	26,573,056	22,330,953
SURPLUS BEFORE TAX		46,211,255	30,686,621
TAXATION	26	18,972,017	9,834,274
SURPLUS AFTER TAX		27,239,238	20,852,347

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


CHIEF EXECUTIVE


DIRECTOR

CSC EMPOWERMENT AND INCLUSION PROGRAMME

(A Company setup under section 42 of the Companies Act, 2017)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	Rupees	Rupees
SURPLUS AFTER TAX	27,239,238	20,852,347
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to income and expenditure statement	-	-
Items that may be reclassified subsequently to income and expenditure statement	-	-
Other comprehensive income for the year - net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	27,239,238	20,852,347

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


CHIEF EXECUTIVE


DIRECTOR

CSC EMPOWERMENT AND INCLUSION PROGRAMME

(A Company setup under section 42 of the Companies Act, 2017)

STATEMENT OF CHANGES IN FUND FOR THE YEAR ENDED 30 JUNE 2018

	FUND	ACCUMULATED SURPLUS	TOTAL
		Rupees	
Balance as at 30 June 2016	100,096,844	8,547,482	108,644,326
Transferred from endowment fund	112,000,000	-	112,000,000
Surplus for the year ended 30 June 2017	-	20,852,347	20,852,347
Other comprehensive income for the year	-	-	-
Total comprehensive income for the Year	-	20,852,347	20,852,347
Balance as at 30 June 2017	212,096,844	29,399,829	241,496,673
Surplus for the year ended 30 June 2018	-	27,239,238	27,239,238
Other comprehensive income for the year	-	-	-
Total comprehensive income for the Year	-	27,239,238	27,239,238
Balance as at 30 June 2018	212,096,844	56,639,067	268,735,911

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


CHIEF EXECUTIVE


DIRECTOR

CSC EMPOWERMENT AND INCLUSION PROGRAMME

(A Company setup under section 42 of the Companies Act, 2017)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before tax	46,211,25	30,686,621
Adjustments for non - cash charges and other items:		
Depreciation	8,271,449	5,493,660
Amortization of intangible asset	93,616	43,333
Operating fixed assets written off	69,222	-
Loans written off against death cases	3,493,455	1,919,307
Provision made against non - performing loans - net	18,101,801	1,497,432
Financial and other charges	63,639,951	41,327,611
Amortization of deferred credit - grants	(164,480)	(244,217)
Gain on disposal of operating fixed assets	(2,274,437)	(1,330,027)
	91,230,577	48,707,099
Cash flow before working capital changes	137,441,832	79,393,720
(Increase) / decrease in current assets		
Micro credit portfolio	(264,966,207)	(139,557,755)
Advances	340,406	(616,588)
Deposits and prepayments	(2,961,149)	(737,460)
Service charges receivable	(2,662,895)	(6,540,766)
Other receivables	683,209	(2,800,039)
	269,566,636	150,252,608
(Decrease) / increase in accrued and other liabilities	(6,167,856)	1,362,675
Cash used in operations	(138,292,660)	(69,496,213)
Financial charges paid	(75,267,121)	(38,571,856)
Taxes paid	(5,938,668)	(5,044,963)
Net cash used in operating activities	(219,498,449)	(113,113,03)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on operating fixed assets	(31,328,998)	(11,018,567)
Intangible asset acquired	(130,400)	-
Proceeds from sale of operating fixed assets	6,459,000	3,542,000
Short term investments - net	(154,322,325)	112,665,844
Long term security deposits - net	(4,635,280)	25,500

	2018	2017
	Rupees	Rupees
Net cash (used in) / from investing activities	(183,958,003)	105,214,777
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained from PPAF	-	325,000,000
Long term loan repaid to PPAF	(222,333,333)	(493,612,250)
Long term loan obtained from PMIC	675,000,000	200,000,000
Long term loan repaid to PMIC	(150,000,000)	-
Foreign currency loans obtained	182,400,000	-
Finance lease obtained	16,262,000	-
Liabilities against assets subject to finance lease repaid	(3,331,654)	(352,753)
Short term borrowings - net	-	(84,000,232)
Net cash from / (used in) financing activities	497,997,013	(52,965,235)
Net increase / (decrease) in cash and cash equivalents	94,540,561	(60,863,490)
Cash and cash equivalent at the beginning of the year	98,734,343	159,597,833
Cash and cash equivalent at the end of the year	193,274,904	98,734,343

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


CHIEF EXECUTIVE


DIRECTOR



319-4, D1, Green Town, Lahore



042-111-272-272



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